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## BRITAIN AND THE DOMINIONS : CONSULTATION AND CO-OPERATION IN FOREIGN POLICY

*By* NICHOLAS MANSERGH

THE self-governing dominions to-day, in whose number the United Kingdom is to be included, are sovereign States, wholly responsible for their own foreign and defence policies. They are also partners in a Commonwealth of Nations and the policies which each individually determines are framed with due regard for the interest and the welfare of the others and of the group as a whole. But the Commonwealth is not an organization having a foreign policy of its own; its members are not bound together by any formal alliance or obligation to act in concert. They place their reliance deliberately not upon formulated or rigid agreements, but upon the existence of a common sense of purpose and acceptance of a common scale of values. This may seem at first sight an unreliable foundation on which to build, but it has been tested, severely tested, and it has survived the challenge of two world wars unimpaired. It is a foundation that owes its stability to the fact that it is built upon political realities. Too often is it overlooked that the self-governing dominions are not populated wholly by people of British stock. In Canada and in South Africa there is a very large proportion of the population—in the case of South Africa the majority of the white population—of non-British extraction. Within both Canada and South Africa two European peoples are being gradually welded by the process of democracy into one nation. In the Commonwealth itself this pattern of co-operation is repeated in the reconciliation of the independence of its several States with the interdependence of the Commonwealth community as a whole. That the reconciliation finds its final and perfect expression in the existing machinery of the Commonwealth, few would venture to claim. In particular the relation between power and responsibility in the field of defence, if not of foreign policy, needs continuous reconsideration and adjustment of the kind that the evolving flexible machinery of the Commonwealth is designed to allow. But in substance and in principle the machinery is the product of the fact that the Commonwealth is composed of peoples of different background, race and tradition.

The separate identity of the dominions in foreign policy and defence emerged in the years before the first world war. It was recorded in the Report of the Imperial Conference of 1907 that the newly established General Staff, 'a purely advisory organisation of which command is not a function,' to quote Lord Haldane's description of it, should be at the disposal of 'the various national organisations within the Empire'. Of the principles of Imperial Defence Lord Haldane said, 'We know this thing must be founded simply upon the attaining of a common purpose, the fulfilment of a common end. It cannot

be by the imposing of restrictions or by rigid plans which might not suit the idiosyncrasies of particular countries'. This language revealed at once insight into the direction of dominion development and an understanding welcome of it. That line of development was equally apparent in the field of foreign affairs, though it was only thrown into clear relief as a result of the pressure of the first world war.

By 1919 the pattern of the many States composing one society was firmly traced and received, not without questioning, tacit international sanction at the Peace Conference of 1919. At Paris the separate identity of the Dominions was underlined by the procedure for the signature of the Peace Treaties. It was characteristic of this phase of transition in Empire relationships that while each Dominion plenipotentiary affixed his signature on behalf of his own government, the plenipotentiaries of the United Kingdom signed on behalf of the whole British Empire. But any who deduced from this procedure that the war had substituted for the foreign policies of member States of the Commonwealth a unified foreign policy for which all were responsible were quickly undeceived by the events of post-war years. The most convincing evidence was afforded at Locarno in 1925. In that treaty it was explicitly recorded that the military guarantees on which it was based imposed 'no obligation upon any of the British Dominions or upon India unless the government of such Dominion or of India signifies its acceptance thereof'. In the event none were willing to underwrite the obligation. The separate responsibility of the dominions for their own foreign policy had become an established fact, though the procedure by way of a general treaty with exceptions clearly implied, as Professor Berriedale Keith has pointed out, that the United Kingdom Government still had power to bind the dominions by the signature of its representatives alone.<sup>1</sup>

Even so brief a survey of the background to separate dominion responsibility in the field of foreign policy as this makes it abundantly clear that it was a gradual development endorsed, but not a new departure enunciated, by the Imperial Conference of 1926. On the contrary the Report of the Conference as a whole is rightly regarded as an accurate reflection of how the Commonwealth system worked at that time. Of nothing is that more true than the sentence which stated that 'the governing consideration underlying all discussion' of separate responsibility in foreign policy 'must be that neither Great Britain nor the Dominions could be committed to any active obligation except with the definite assent of their own Governments'. But that does not in any way lessen its far-reaching practical implications. Where responsibility rests there is power; and nothing in the trend of Commonwealth development in recent years suggests that any delegation of power would be contemplated by any dominion government in favour of some machinery designed to replace informal co-operation between sovereign States in the field of foreign policy by a formal adherence to the principle of common action.

The conclusions of the 1926 Conference on individual responsibility for

<sup>1</sup> *The Dominions as Sovereign States*, p. 22.

foreign policy followed naturally from the definition of the dominions as 'autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs.....' 'Equality of status so far as Great Britain and the Dominions are concerned is thus the root principle governing our inter-Imperial relations'. But equality of status did not and could not at that stage in the history of the Commonwealth imply equality of function. In the field of foreign policy and of defence the resources, the geographical position, the history of the United Kingdom meant that the main burden must rest on her; at any rate for many years to come. But in the discharge of her continuing responsibilities the United Kingdom was acting not on the joint responsibility of the Commonwealth, but on her own, assumed, however, with full knowledge of dominion points of view.

The Conference of 1926 expressed the confident belief that, while each dominion must remain the sole judge of the nature and extent of its co-operation, no common cause would be thereby imperilled. On what was this confidence based? If each dominion decided its own foreign policy in the light of its own interests, how was it that such confidence was felt about the support for the common cause? How was a common cause to be defined, to be recognized and to evoke a common response from the widely scattered nations of the Commonwealth? The answers are to be sought in the elaborate, though characteristically informal, machinery of Commonwealth consultation built upon the indispensable foundation of a common sense of values and a united devotion to the cause of peace. This machinery of consultation, which is of such profound importance in the co-ordination of the foreign policy of the member States of the Commonwealth, has evolved by rapid stages since 1926. More particularly during the war years, the system was elaborated to meet the unexampled strain to which it was then subjected. Here it is perhaps most useful and most relevant to give an account not of its gradual enlargement over the past twenty years, but a picture of how it works to-day.

The machinery of consultation is designed to keep all the members of the Commonwealth fully informed about their respective foreign policies. In actual fact, however, the main flow of information still goes out from London. The United Kingdom, one of the Three Great Powers and a permanent member of the Security Council with traditional interests and intimate contacts in every capital in Europe, with a Diplomatic Service which has its representatives in every country of the world, is inevitably the principal source of information on developments in foreign countries. At the same time, it is not to be overlooked that each of the dominions, and particularly the larger dominions such as Canada and Australia, have now wide diplomatic representation of their own and have a very material contribution to make in the field of foreign policy, based upon the advice of their own overseas representatives.

In London the Commonwealth Relations Office (until recently the Dominions Office) is the mainspring of the machinery of consultation. It is the duty of the Commonwealth Relations Office to give as much background information as possible about policies and developments in foreign countries to the dominion

Departments of External Affairs. More particularly, it is its aim to inform the dominion governments when policy is in its early and formative stage and to let them know what are the first reactions of the United Kingdom Government to events in any part of the world. The earlier the information is passed to the dominion governments the greater the opportunities of working out a common and agreed policy. Speed in transmission is for this reason a matter of cardinal importance. During the war there were occasions when the need for an immediate decision made consultation with the dominions impossible, but they were extremely rare. When a dominion government knows what is happening and what line the United Kingdom Government proposes to take, it is able to express its own views, framed perhaps in the light of reports from its representatives, and if it wishes, its disagreement with the course of action contemplated by the United Kingdom Government.

On a great many occasions the information on foreign affairs passed from one Commonwealth Government to another is not thought to require either action or comment. But none-the-less, even if its immediate bearing on policy is slight, it helps to build an invaluable picture of developments, problems and tensions in the foreign field throughout the whole world. Silence is not equivalent to assent, and in every case unless a dominion government explicitly and formally records its agreement the policy remains that of the United Kingdom Government alone. At the same time when action is called for in the international field, knowledge of background, supplemented in many cases by preliminary interchange of view, makes it more probable that an agreed conclusion will emerge. Even if this is not so, there will be full understanding of why a particular course of action has been adopted. That is very important indeed. Every fragment of information likely to be of interest or of use which comes from the United Kingdom representatives in foreign countries is passed on immediately to the dominion governments. The volume of such communications is as noteworthy as their character of informal intimacy.

The normal channel of intra-Commonwealth consultation is from government to government, but in matters of exceptional importance the correspondence passes between Prime Minister and Prime Minister. But whatever the level, correspondence in itself would be quite inadequate for the purpose of full Commonwealth consultation. Each of the dominions is represented by a High Commissioner in London. During the war daily meetings were held in the Dominions Office between the Secretary of State for the Dominions and the High Commissioners. They were informal meetings at which all aspects of United Kingdom and dominion policy were discussed, and their value has been generally recognized. Since the war, these meetings have continued at frequent intervals so that common problems may still be discussed in this way. Likewise in each of the dominion capitals there is a United Kingdom High Commissioner and in most cases now a High Commissioner representing each of the other dominions as well. This means that the personal contacts in London find their parallel in similar personal contacts in all capitals of the Commonwealth. The flexibility of this machinery of consultation

was shown in many ways during the war years. Mr. Stanley Bruce (now Lord Bruce) acted as special Australian representative to the War Cabinet. This appointment was made on the initiative of the Australian Government and though the other dominion governments did not themselves feel that a similar appointment would serve a useful purpose, that constituted no objection to this exceptional appointment, felt to be particularly desirable by the Australian Government in view of the Japanese threat in the Pacific.

The pattern of the machinery of Imperial consultation is completed on informal side by meetings of Commonwealth Prime Ministers, and on a more formal basis by Imperial Conferences. The Imperial Conference requires elaborate organization, detailed agenda and a large delegation from each of the dominions to discuss fully all the technical points which may come up for consideration. It is largely for this reason that no Imperial Conference has been held since 1937. The war and subsequent difficulties in communications and pressure on key manpower in all the Commonwealth countries have provided a strong practical argument against the holding of a further Imperial Conference at the present time. But it may be also that the general trend of Commonwealth relations is towards an ever greater degree of informality, and that therefore in the future Imperial Conferences will not be so frequent as in the past.

The meetings of the dominion Prime Ministers or their representatives is in one sense an informal substitute for an Imperial Conference, but it is more realistic to judge them on their own merits and in the light of the distinctive contribution which they can make. The two most recent Commonwealth Prime Ministers' meetings were held in the Spring of 1944, before the war was over, and in the Spring of 1946, after victory had been won. At these meetings the procedure, it is to be emphasized, was informal; there was no fixed agenda and it was not the aim of the meeting to reach concrete conclusions about particular subjects. They were, indeed, devoted to exchange of views. Their value was, therefore, not to be reckoned by the practical decisions reached, but by the measure of broad agreement, particularly in foreign policy, produced. Informal meetings of this kind provide an admirable opportunity for reviewing general problems of foreign policy and for each member of the Commonwealth to learn what his partners feel about them. At the Conference of 1946, the Foreign Secretary, Mr. Bevin, returned on two occasions from the Paris Peace Conference, which was taking place simultaneously, for the dual purpose of letting the dominion representatives know what was going on at Paris and, equally important, of learning himself what they thought about the post-war settlement in Europe. Looking at the discussions as a whole, it is perfectly clear that their value was dependent upon the existence of a background of common knowledge and preliminary exchange of views by correspondence. The machinery of consultation, written and verbal, is a unity.

The very marked advance in the international status of the dominions since the war has made the machinery of intra-Imperial consultation more valuable than ever. The activity of the dominions in foreign affairs; their

rapidly increasing representation in foreign capitals; their distinctive and often forceful contributions at the post-war conferences, have all made the elaborate background of information and interchange of views an asset of exceptional importance to them.

Agreement on the main lines of foreign policy does not restrict the freedom of action of an individual dominion in the pursuit of its own particular objectives. Each of the dominions by its geographical position has, necessarily, particular regional interests. Australia and New Zealand are primarily concerned in the security of the South-West Pacific, but they are fully aware of the fact that this security depends in no small measure on the line of Imperial communications in the Mediterranean where the Australian and New Zealand divisions fought so gallantly in both world wars. South Africa's dominating concern lies in the Mediterranean area. It is a matter of cardinal importance to her security that no territorial settlement of the North African littoral should give a potentially hostile power a foothold on the African continent. Canada, more perhaps than any of the dominions, has an immediate interest in the maintenance of peace in Europe. Over and above this, by reason of her geographical position, Canada's over-riding concern is to ensure that both in war and in peace the United States and the United Kingdom keep in step in respect of the main objectives of their policy.

The widely different regional interests of the member States of the Commonwealth underline the fact of its dependence on sea-power and sea-communications. It is sea-power that unites into one co-ordinated whole the broad diffusion of interest, the differences of emphasis placed by each member of the Commonwealth on the several problems which concern them all in the post-war world. It is because of the dominant rôle of sea-power in maintaining the safety and thereby making possible the underlying strategic unity of the Commonwealth that the sub-continent of India fills, as Dr. Panikkar has so rightly emphasized, a key geographical position. Peace and security in the Indian Ocean and in the South-West Pacific is of vital importance to the Union of India, and her concern in it is shared by all the members of the Commonwealth. It is also because of the importance of sea-communications to the Commonwealth as a whole that the several regional interests are in greater and lesser degree the concern of all.

This general picture of the United Kingdom and the oversea dominions in the field of foreign affairs applies with certain important modifications to Eire, whose distinctive position merits some further examination. Though Eire does not fit easily into the conventional constitutional pattern of the Commonwealth, it does in fact use the machinery of the Commonwealth in its relations with foreign States and in the conduct of foreign affairs. The marked differences in the internal constitutions of Eire and the oversea dominions are not reflected in so concrete a form in their external relations. This indeed is not altogether surprising, for the United Kingdom Government and the governments of the oversea dominions continue to regard Eire as a partner in the Commonwealth, and though their view has evoked qualifications, it has not provoked dissent from Mr. de Valera. In truth, if one turns from

constitutional niceties to realities, what exists at the present time is a curious, illogical, but workable, amalgamation of the British conception of Dominion Status and the Irish conception of External Association.

In considering the implications of external association in the foreign field, too much attention can be given to Eire's neutrality in the second world war. Neutrality was the product of internal conditions in Ireland and, though an indication of the extent of her detachment at that time from the Commonwealth, it did not necessarily mark a departure in principle from the concept of dominion status. It is, however, to be noted that full partnership in the Commonwealth, carrying with it its obligations as well as privileges, implies at least a strong moral obligation on the part of its members to resist a challenge which is, in fact, a challenge to the existence of the Commonwealth itself. It was maintained by the Eire Government and felt by Irish opinion that this moral obligation did not exist in the case of Eire just because she was not, and had made it abundantly clear that she was not, a dominion either in convention or in spirit by 1939. In practice this meant inevitably that during the war and immediate post-war years the full machinery of consultation was obviously unworkable in relation to Eire, and that for the same reasons she was not represented at the Dominion Prime Ministers' Conferences of 1944 and 1946. In theory it left unanswered the crucial question, what are the obligations of association?

It is not necessary to record here the stages by which the dominion status conferred on Ireland by the Treaty of 1921 was in effect abrogated. About that I have said something in an earlier article.\* Here it is more relevant to recall that though the monarchical symbols in the constitution of the Irish Free State were one by one removed by Mr. de Valera after his accession to power in 1932, the relationship in the external field remained fundamentally unaffected. The enactment of the Constitution of 1937, which in fact brought a Republic into being (though it was specifically so named only in 1946) was not held by the United Kingdom Government to mark a final breach either with the Commonwealth or with Eire's status as a dominion, presumably because of the continued use of the Crown in external affairs. It was in fact explicitly stated at the time that the government of the United Kingdom with the assent of the oversea dominions regarded the constitution of 1937 'as not effecting a fundamental alteration in the position of the Irish Free State.' However wise politically, this statement would seem to rest on uncertain constitutional ground. In any event, whatever the views of the lawyers, from 1937 onwards Eire was in fact a Republic externally associated with the British Commonwealth, though the Commonwealth and the Irish view, both of her status and of the character of her association, did not coincide.

There exist, therefore, two points of view about Eire's relationship with the Commonwealth, which while not reconciled, do not elicit active dissent and indeed receive tacit assent from both partners. The precise nature of the relationship, seen from the Irish point of view, was stated by Mr. de Valera

\* Ireland in the Post-War World, *India Quarterly*, Vol. III, No. 4.



in September of this year in these words. 'As a matter of our external policy', he said, 'we are associated with the states of the British Commonwealth of Nations. We are not members of it'. 'We are associates of the states of the Commonwealth; but if they regard the existence of the King as a necessary link, if they consider that it is the bond they have, then we have not got that bond. We are externally associated with the states of the British Commonwealth.' How does this association receive practical expression? The one formal constitutional link binding Eire to the Commonwealth rests upon a provision of the 1937 Constitution, which provides that 'for the purpose of the exercise of any executive function of the State in or in connection with its external relations, the Government may... avail of or adopt any organ, instrument or method of procedure, used or adopted for the like purpose by the members of any group or league of nations with which the State is or becomes associated, for the purpose of international co-operation in matters of common concern'. This permissive clause sanctions the practice already authorized by the External Relations Act of 1936, under which the King's signature may be used for the purpose of appointing diplomatic and consular representatives to foreign countries. During the war the obvious practical difficulties which arose in the implementation of this provision were circumvented by the appointment of *Charges d'Affaires*.

If the full value of external association is to be derived by both parties to it, then an agreed definition of the basis of concerted action would seem to have no small advantages, if only to avoid risks of misunderstanding, and the association must be positive in character. In the post-war world there has, in fact, been a tacit readjustment in emphasis in Eire's attitude to the United Kingdom and the Commonwealth. Recent months have seen Irish representatives attending unofficial Commonwealth talks on nationality and international trade held in London; at the time of writing, Anglo-Irish trade talks are proceeding, and in the early Autumn an Irish delegation to Paris, led by Mr. Lemass, co-operated in the discussions on the Marshall proposals. Equally, in the great issues of foreign policy the interests of Britain and Ireland coincide. They are both anxious for closer co-operation with the United States, and both are prepared to give a full trial to the United Nations; though thanks to the Russian veto, Eire's membership of UNO has not yet been accepted. In the future, therefore, and particularly in view of the present alignment of world forces, Eire may well tend to co-operate more closely with the Commonwealth countries. But even in that event her internal political outlook will demand continued emphasis on the external character of her association. She may well wish however to place greater reliance in practice on the Commonwealth machinery for co-operative consultation in foreign affairs.

The recent history of Anglo-Irish relations might be adduced as evidence that a system of consultation, however good, cannot in itself ensure that while 'every dominion is now, and must always remain, the sole judge of the nature and extent of its co-operation, no common cause will be thereby imperilled'. We have seen how the mechanics work, but does experience in the wider

field of intra-Imperial relations of the results they produce justify the confident assertions of the Balfour Declaration? It was the existence of a common outlook, common sense of values, and above all common interests in the maintenance of peace and world security that persuaded the members of the Imperial Conference of 1926 that, though each dominion was to be the judge of her own interests, those interests being what they were would lead to a concurrence of view on all great issues. In actual practice this has happened, with the exception of Eire in 1939, though it is to be noted that the member States of the Commonwealth often reach the same conclusion by very different routes, often determined by internal factors. One illustration must suffice. Over and above her membership of the Commonwealth, the geographical position of Canada, her intimate association with the United States, and her internal tensions, have determined the direction of Canadian foreign policy before the war and since. Mr. Mackenzie King has often explained and Mon. St. Laurent, Minister of External Affairs, has recently reiterated in a lecture in Toronto, that the first general principle guiding the Canadian Government is that its 'external policies shall not destroy our unity'. It was this primary condition of Canadian foreign policy that necessitated the adoption of what may best be described as a non-Imperial reaction to the aggression of the dictators in Europe from 1937 onwards. It was in that year that Mr. Mackenzie King reaffirmed in Parliament that Canada 'will not necessarily become involved in any war into which other parts of the British Empire may enter simply because we are part of the British Empire', but he warned also 'that forces of evil are present in the world, fighting against the forces of good. As long as there is this conflict, those who wish to see the good triumph must take every possible means to prevent evil from gaining control'. Taking these two extracts together, they give one a clue to the subsequent Canadian reaction to events in Europe and in the Far East. Canada was determined, and what is important, all sections of the Canadian people were determined, 'to prevent evil from gaining control'. Therefore they were prepared, not as part of the British Empire, but because the British Empire formed part of the 'forces of good' to resist aggression. That attitude, though specifically Canadian in statement and in form, none the less reflects a dominant trend in Commonwealth foreign policy before the war. It is the trend which leads to the conclusion that the policies which mutually unite the Commonwealth are those that transcend exclusively Commonwealth interests. It can be seen now, though it was not realized at the time, that the Imperial Conference of 1937 became in fact one of the decisive meetings in the history of the Commonwealth, because as a result of the discussions that then took place the various member States recognized that the challenge threatening the world was not a challenge to Imperial interests, but a threat to Britain itself and to world security.\* Such a threat was in fact resisted by a united Commonwealth in 1939, thereby giving supreme justification to the confident assertions of the Balfour Declaration.

\* Miss G. Carter, *The British Commonwealth and International Security*, (Chap. X).

The emphasis in the years before the war was upon the separate identity of the dominions in foreign policy. Now that that identity is so firmly established, the field of common concern may become more clearly defined. The trend of affairs in the post-war world suggests that as a result of the war that field has not narrowed but widened. The more intimate association with the United States, the menace of new weapons annihilating distance, the allegiance given to the United Nations to-day by all the member States of the Commonwealth, are all factors which in their own way underline the convergence of interest in foreign policy among the member States of the Commonwealth. Moreover, while all are united in making support for the United Nations the primary objective of their foreign policy, realism compels them to admit that, while in time the United Nations may and can be made an effective instrument of World Government, it would be unwise now to place full reliance on it alone. At the least, therefore, the British Commonwealth is a form of reinsurance against aggression. All the members of it are strengthened by the knowledge that in the last resort a challenge to world peace or a threat to their own existence would enlist the support of all their partner States of the Commonwealth. Never again, it is to be hoped, will such a challenge have to be faced, but even in the ordinary course of international affairs, the weight and the influence of each member of the Commonwealth in the counsels of the nations is materially strengthened by the fact that it is a member of a world-wide group of States. That is an asset of inestimable value in these days of international tension. Before and during international conferences, co-operation and consultation between partners is a source alike of influence and strength, the more to be valued because it derives not from any restrictive obligations, but from a community of interest and a common sense of purpose. In a world dominated by great powers, ever becoming greater, that is no mean contribution to be made by a group of nations which, by the very fact of its existence, enables individual member States to play a role in international affairs not otherwise possible for middle or smaller powers.

## THE RATE OF ECONOMIC DEVELOPMENT IN DIFFERENT COUNTRIES

*By* COLIN CLARK\*

BEFORE I proceed with the subject matter of this evening, let me say that I am following in the lines of Pigou rather than of Keynes. In other words, while Keynes' great contribution to economic theory is his analysis of inflation and deflation, short period fluctuations in prosperity, full employment and unemployment, Pigou's concern has always been with long-period analysis, the judgment of trends which take sometime to work themselves out. Though the two leaders of economic thought lived a few yards away from each other in King's College, Cambridge, they dealt with almost entirely separate provinces.

\* An Address delivered in New Delhi on 28 November, 1947 at a meeting of the Indian Council of World Affairs, Prof. B. P. Adarkar presiding.

Generally speaking, you should make use of Keynes' conclusions if you think of what will happen in the next few months, while if you are thinking of what is going to happen in the next five or ten years, you should consult Pigou. It is to Pigou's work that we largely owe the foundation of our concept of national income and national wealth and our ability, at any rate our possibility, of analysing the relative merits of competitive enterprise and governmental planning in building up national wealth. I will briefly give you the conclusions that Pigou has reached, which most economists are now following. There is room for both elements in the economic structure. Certain parts of the economy must be built up by governmental planning and certain other parts must be built up by competitive enterprise. So much for the introductory review.

My subject matter for this evening is national wealth and the rate at which it is growing and can be expected to grow in different parts of the world.

Now the national income does not, as some people think, refer to the Budget. It refers to something much wider and is, in the first instance, the combined income of all persons and institutions in the community. A number of statistical precautions have to be taken to avoid double counting, which I need not elaborate at this stage. To give national income a better definition, national income represents the true net value of goods and services produced by the combined efforts of the whole community after you make the necessary allowance for depreciation and for all materials used up in the process of production. And when I say 'true value', I want to draw your attention to the fact that while everybody is now much better off than he was ten years ago, so far as rupees are concerned, whether we are much better off in food, clothing, shelter and enjoyment is quite another matter, and throughout I am going to speak in terms of real income, that is to say, I am going to speak in terms of figures which have been corrected for changes in prices. So, when I talk about a unit of real income, I am referring to an actual concrete quantity of saleable goods and services and not of rupees or dollars, or any other unit of currency, whose value may be changed very greatly in the course of a few years. I measure goods and services in what I call an International Unit. It is more or less a method of combining all the different commodities which the economy provides, say, of combining lbs of wheat and yards of cloth and tons of fire-wood, bus-rides and hair-cuts, in other words, non-tangible services as well as tangible goods. There are certain statistical methods by which you can measure the actual aggregate of goods and services which a community has available at any time and that is particularly important in India, because the rupee is rather unstable and it will now buy perhaps half or a third of the goods which it could buy ten years ago. On the other hand, there are also in India and other Asian countries large quantities of goods and services which are never exchanged for money at all. The larger part of India's population grows its own food, and very possibly makes its own clothes and builds its own houses. In trying to judge the real income, the standard of life in different countries, the statistician must take into account so far as he can—it is not at all easy—the goods which people

get for themselves without ever having to exchange against money. In most countries we have, in some measure, statistics of the value of national income and in order to compare them between one country and another, we have further information showing the comparative price factors of the different countries. The amount of goods which you can buy with one rupee is not necessarily  $1/13$  of the amount of goods which you can buy for a pound, although the rupee is exchangeable for  $1/13$  of a pound; that does not by any means necessarily measure the true quantity of goods which you can buy and very difficult, tedious studies are necessary to show the true purchasing value of money in different countries.

My way of measuring the real income produced in different countries is to measure the quantity of goods and services obtained per man-hour of work done because in some countries people work much longer hours than in others. So, I think you will agree that the final fair test of productivity of different countries is to measure the product per man-hour of work done. Now, as you might expect, the most productive economy in the world is that of the U. S. A. which produces slightly over one International Unit per man-hour of work done. The figure for India is .07. The figure for China which is the lowest in the world is .03. That means, if you like to put it this way, that the goods which are produced by one man-hour of work in the U. S. A. require 30 man-hours of work in China and about 14 or 15 man-hours of work in India; or putting it the other way, for each man-hour of work which he does, the Indian gets only about  $1/14$  of the goods which an American gets for each man-hour of work which he does. I think it is of considerable interest to trace what has been the cause of these figures in different countries, and if you like, I will start with the Asian figures and go westwards to the less important countries. The Chinese figures are the lowest in the world. The productivity of .03 International Unit per man-hour means in effect a population living on the edge of famine. It is possible that China could avoid recurring famines if her transport were better and political life less disturbed, but in any case, the productivity of .03 represents a condition not far removed from famine, which prevails, as I say in China. Figures not very much higher prevail so far as we can ascertain in some of the other East Asian countries, in Java and Siam, although the statistics for these countries are very deficient and it is very hard to make even a rough estimate of where they stand. Among the countries which have statistics, I have no figure between the .03 for China and the .07 for India. The Chinese figure in past years is not known to us. Some historians believe that China's productivity in the past was very substantially higher than it is now—if there are any historians here, perhaps they would be able to contribute to the discussion, but it is not for me to say. And so far as the Indian figure goes, we have fairly good evidence which was assembled by Dr. Rao to show that it has approximately doubled since 1870. The first study of Indian national income was made in 1868 by Dr. Dadabhoy Naoroji and a number of studies have been made, concluding with Dr. Rao's own work in 1931, and the real income per head was approximately doubled during that period. There is some evidence to show

that most of the rise occurred before 1920. Between 1900 and 1920 the rise in the Indian population was rather less rapid than it is now. I have evidence from one province—the United Provinces—to show that between 1920 and 1940 the rate of increase was very much slower, but the U. P. may not be entirely representative, as it is a less industrialized province than some of the others. And what is the precise trend of Indian national income at the moment is almost impossible to say. All I can give you are the long-range figures, showing that India's income per head has approximately doubled since 1870, or putting it in this way, in 1870 India was as poor as China is now and her national income has been raised in a manner which is certainly satisfactory so far as it goes, but it has been exceedingly slow. Against this we may set the very remarkable example of Japan. Japan's statistics are more abundant. You will remember it was in 1868 that the old feudal régime was overthrown and a European type of government established. However, for the first generation there was little rise in the real income of the Japanese people and up to about 1900, the real income in Japan remained at approximately the level of .03, that is to say, of China now or of India in 1870. After 1900, a very rapid rise occurred and particularly after 1914. The figure stood at .03 in 1900. There was a 60 per cent. rise in 13 years to .05 in 1913. By 1929 it had become .13, i.e.,  $2\frac{1}{2}$  per cent. rise in 16 years, and I can assure you without the slightest qualification that that is the most rapid rate of economic progress that has been shown by any country in the world. Since 1929 progress has continued; by 1937 the figure had risen to .19. By 1937 Japan was deeply involved in the Chinese war and the figure began to fall. The Japanese rate of progress is most striking and India will do very well, I think, to study what has happened in Japan, to learn what on the one hand to imitate, and on the other hand, to avoid.

The figure for Russia in 1939 stood at about .18, that is to say, Japan had by a slight margin overtaken Soviet Russia. The Russian figure has shown a most disappointingly slow rise since 1913. I do not want to imply that before 1913 the rate of increase was very high, but over the whole period from 1913 to 1939 the net real increase was extraordinarily small.

The 1913 level of real income was just about recovered by 1928. After 1928 came the first five year plan which only partially achieved its objective in the industrial field, and led to a complete debacle of agricultural production. After 1933, there was considerable relaxation of controls on agricultural production and a considerable measure of free commerce was restored to agriculture and there was recovery in industrial efficiency also. Then again, it took several years to recover from the mess which had been made between 1928 and 1933. Russia, whatever else it may be, is certainly not an example of rapidity of material progress.

Another example of fairly slow progress is Italy. In 1939 it reached the level of .21. It had risen from .13 in 1900. The economies of Russia, Italy and Japan are all approximately at the same level of rather low productivity.

If you go to the other end of the globe, the highest country as I have stated is the U. S. A. with the figure 1 International Unit per man-hour. In 1900

the figure was only .43. It has more than doubled in 40 years. In fact, by 1913 it was only .54; by 1929 .75. That is a pretty rapid rate of progress, a rate of 2 per cent. per year. A higher rate has been attained by Japan and the same rate by Sweden. Most of the European countries advance their real income at the rate of  $1\frac{1}{2}$  per cent. a year, which is quite satisfactory in itself. But the gap between America and Europe is wide and is growing wider. As for India, nobody has yet submitted agreed projects for the development of the Indian national income. But the rate of progress possible with the present capital resources is very much lower than that. •

The second country is New Zealand with the figure .87. Canada stands at the figure .75. You will notice that the U. S. A. stands in rather isolated splendour. The high productivity of America is almost entirely in industry and commerce. American agriculture has an efficiency no better than that of the higher European countries like Denmark. New Zealand's high level of income is due to very high productivity of agriculture. Production per man-year is three times what it is in the U. S. A. That is a nasty pill for the Americans to swallow. Australia and Argentina are the second and third countries in agricultural productivity. Their and Uruguay's productivity is about  $1\frac{1}{2}$  times that of the U. S. A.

There are few countries anywhere near New Zealand and Canada. Next below comes Australia with the figure .59, Britain .56. There is another gap and then comes a group of European countries; Holland .45, Germany .46, France .40, Norway and Sweden about .40. The rest of Europe is considerably below. The British figure has nearly doubled since 1900. Although the levels are high in Canada and Australia, the rate of growth has been slower, because in both Canada and Australia, the national income contains a larger element of exploitation of natural resources where productivity may be high, but cannot expand so rapidly as productivity in manufacturing industry. The figure for the Netherlands also shows a fairly rapid expansion. The figure for Germany which was expanding rapidly before 1914 was seriously held back not so much by the first war as by inflation. What will happen to German productivity now is an open question. But in my opinion, and from the evidence I have been able to receive from the German statisticians, a very rapid rate of increase in the next five or ten years is quite possible. I might add that a rapid recovery of Japanese productivity is not only possible but extremely probable and Indian industry will not escape the pressure of this principal competitor; but competition will benefit both. The most rapid rate of increase in Europe has been in the Scandinavian countries. In 1900, Norway and Sweden stood at the figure .17, that is, their economy was poorer than that of Japan and Italy at the present time. By 1939, Norway and Sweden had raised their productivity to a level comparable with that of Britain or Germany.

I have made it clear that I am speaking throughout of real product per man-hour of work. I am not talking of production in the aggregate. You can get the total production by multiplying these figures by the population and the number of hours worked per year.

Another extremely rapid advance is shown by Finland.

One of the curious and rather disquieting things which emerges from this analysis is the fact that the rich nations get richer and the poorer nations, though they are not becoming poorer, show a rate of economic progress which is disappointingly slow. The result is that the gap between the rich and poor countries gets wider and wider. I was very conscious during my recent journeys of the widening of the gap between America and Britain. As the countries get further apart in their economic productivity, there is always the danger that they will get further apart in their social and political ideas. What applies to America and Britain applies to Europe and Asia also.

The reason why we should get these different rates of progress is something which I will analyse further after we have examined some of the factors involved. The first thing which we might consider is the exploitation of natural resources. As I have already indicated in the matter of Canada and New Zealand, in certain countries, the exploitation of natural resources may yield, for a limited population, a high real income, but it is not a rapidly expandable income. The great expansion which is shown by America, Britain and Germany was based on industry and not on agriculture. I will give you some of the figures of agricultural productivity. I have already mentioned New Zealand which stands at the head of the list, 2,000 International Units per year per man engaged, Australia 1,300, Argentina 1,100, the U. S. A. not much over 600 corresponding to the figure for Denmark which is the highest of the European countries. The Western European countries are mostly in the range of 300 to 500. When we come to the countries of Eastern Europe, that is to say, the Balkans and the Soviet Union, the figure falls to 150, which incidentally is almost the same as Japan. Although Japan is much more crowded than the Balkans or Russia, she manages her agriculture efficiently well to get about the same net return per man at work. The figure for India is 83 and the figure for China is 46.

If you want to compare the figure which I have given you of 83 International Units per man-year of agricultural work with the figure .07 International Units per man-hour, multiply .07 by 3,000 and that gives you the figure 210 International Units per man-year. But a large part of that 210 represents not the real product of agriculture, but the values added to the agricultural produce by the peasant and his family in making the food fit for consumption, work which in other countries involves a lot of labour in the transport and distributive trades. India as it were gets a large part of her national income without any effort on account of the simple fact that she does not need transport and distribution; she consumes on the spot where it is grown. That is an element which only very poor countries can enjoy. As India becomes wealthier, she will have to transport and distribute her food more instead of getting these services free as she does at present.

One of the most outstanding laws of economics is that as the wealth of a country advances, the proportion of its population engaged in agriculture is bound to fall. The reason for this is not far to seek. An American enjoys a real income 14 times as high as an Indian; but an American however does



not eat 14 times as much food as an Indian. He may eat about four times or possibly five, but certainly not 14 times as much.

It follows that in America a smaller proportion of her population is engaged in producing food than is the case in India. In China which has the poorest economy of all, 70 per cent. or more of her labour is devoted to food production. In India the figure is somewhat between 60 and 70 per cent. it is very hard to judge. When you took the Census in 1941, owing to the war emergency apparently, the work was abandoned before you tabulated the industries and occupations. In the other Asian countries similar high figures prevail. In the poorest parts of Europe—in the Balkan States the ratio is about 65 per cent. In Russia as a result of great efforts the figure was brought down to 58 per cent. In Japan where industrialization has proceeded more rapidly the figure which was 70 per cent. some 30 or 40 years back has now been brought to 36 per cent. In Canada it is 30 per cent., in U. S. A. 16 per cent. France though she produces nearly the whole of her own food, only employs about 25 per cent. of her working population to produce it. Germany which imports more food has a figure of only 17 per cent. Countries which rely to a large extent on food imports show even lower figure, for instance Belgium 14 per cent. and Britain 7 per cent. So it may be taken that one of the most fundamental laws of economic development is that as the country becomes richer she is able to live with a smaller proportion of her population engaged in agriculture. The figure is made even lower of course when a country imports a large proportion of its food as Britain or Belgium. For that matter Japan and the U. S. A. both import quite a substantial fraction of their food supplies and have brought down the size of their agricultural population correspondingly.

Now the next thing to consider is manufacture. The proportion of the working population engaged in large-scale manufacture in India is only 2 or 3 per cent. and there is much room for large expansion. On the other hand it is no good preparing an over-enthusiastic plan of development which will provide for too large a population to be employed in manufacture. America has only 25 per cent. of her people employed in manufacturing industry. There she has about 16 per cent. on agriculture, about 24 per cent. in manufacture and the remaining 60 per cent. in building, commerce, transport, public administration, teaching, entertainment, personal services etc. As the Indian economy develops—this is one of the things which Prof. Thomas has always pointed out—you must make adequate provision for a suitable output from the service industries. Now while manufactures are generally carried out on a large scale and involve some concentration of population and finance, the service industries are the reverse. They have to be carried on a small scale. They involve therefore a de-concentration of population and de-concentration of finance and thus it is all the healthier for the Indian economy in the long run. We must conclude therefore that while manufacturing production is a very necessary stage in the country's economic development, it is not the final stage and that after a certain level of wealth has been reached, an increasing proportion of the community's demand is for these intangible services and that involves a very different social organization.

Now finally what are the factors which make progress possible. Many economists say that what really matters is capital. I am going to be a little cautious on this question. I am not going to deny the proposition and I am not going to say that a country can become rich without capital. On the other hand I will say this that a country's need for capital is to some degree flexible. By careful economic planning and by the best use of modern technical ways you may sometimes enrich the country with a less utilization of capital than would otherwise be necessary. It is not always realized that while many inventions necessitate great investment in new capital, there are a number of inventions which have a capital saving effect e.g., the increasing speed and capacity of steamships as they are built now as compared to 40 years ago instead of involving extra investment has had the reverse effect. It has meant a great capital economy. The invention of telephone which involved a certain amount of capital investment has had quite an exceedingly good effect on commerce. I think everybody here will realize that owing to the existence of rapid transport and telephonic communication merchants now-a-days carry very much smaller stocks than their fathers did before. The use of motor vehicles in place of rail transport involves an important capital economy to the community in certain circumstances. This is a very important matter for India. If you concentrate development on light industry rather than heavy industry your need for capital would be very much less. Japan from the start concentrated her development on heavy industry and we must realize that that involved imposing very much heavier sacrifices on her people than would have been the case if she had mainly concentrated on light industry. Therefore I say economic progress necessitates a good deal of capital investment. To give the degree of industrial progress envisaged by the Bombay plan is going to require in my opinion a great deal more capital than even the authors of the Bombay plan have envisaged. Capital is going to be required on an even larger scale. Now India's capacity to save is really, in relation to her income, quite high, as indeed was the case also with Japan. The extreme thrift of the people was one of the things which made this possible. India, as far as can be ascertained, saves some 6 to 7 per cent. of the national income which is a high figure for a poor country. But any higher rate of saving than that is going to necessitate a severe reduction in the standard of consumption of the Indian population. Even if you get some slight increase in the rate of saving, the amount of Indian saving which you are going to get during the next ten years is going to fall very far short for providing the necessary capital, even under the most favourable circumstances, for the development of Indian industries. So unless there is a big inflow of foreign capital in some form or another the growth of Indian industry and the rise of her national income is going to be held back. To me, that is clear as A, B and C. I know there are political questions involved and I don't think anybody would suggest that indiscriminate admission of foreign capital should be made. I think the primary political question which concerns everyone, quite rightly, is that you don't want foreign capital to get control over the key industries of the country. For that matter if I were

an Indian politician I would not want an Indian capitalist to get control over key industries. I think industries which are absolutely vital to the national development like steel and chemicals, railways, shipping, banking and insurance should be nationalized. They should be owned by the national, provincial or municipal governments. In that respect I am more of a socialist than many of you, probably; on the other hand once you have established national or provincial control over the key industries, I think the remaining industries should be left open to competitive enterprise. In that respect I am much less of a socialist than many of you. What I think India needs is a perfectly sharp division between her key industries which must be planned and developed under national auspices, and the other industries; the light industries, agriculture and commerce should be left to private enterprise. In industries which provide useful things but not of key essentiality to the national life, you can have foreign capital. The American economists and businessmen are well aware that for their own stability they will have to have some outflow of capital and they are already getting very interested in India and the form in which they want to bring their capital is the form which will be most beneficial to India. They want to come in and open branches with American capital and equipment and American skill. I think the average American capitalist would be willing to accept what you regard as the most important condition, that he should employ a large Indian staff and should provide training for young Indians so that they may eventually be able to carry on the industries themselves. If you can attain that measure of agreement with American and European capitalists, then I don't think you need worry about demanding 50 per cent. shares or anything of that nature. Because if they are confined to the field of light industry and service industries, where they cannot secure control over any key element in the national economic life, I don't think you have much to worry about.

But capital, although it is an important factor for the development of the economy, is not to my mind the most important factor. There are one or two other factors which count e.g., education. The rapidity of development in Japan, the U. S. A. and Scandinavia is largely attributable to their excellent technical education and its wide diffusion. It may be the case that the American universities in some cases may not give such a high training as the European universities but for every one man trained in Europe, America trains 100 men, and they will be able to enrich the community more. So, don't be afraid to diffuse as widely as you can technical education and also general education. A man with education is much more adaptable in business than an uneducated man. In Indian schools they have proceeded on the assumption that every man was going to be a banker or government official and there has been a hopeless oversupply of men trained in the literary and commercial subjects and there is a serious under-supply of men trained in scientific and technical subjects. The schoolmasters in India train men for the world as it was 50 years ago.

Finally the last and most important factor in economic progress is the character of the people. As our proverb goes, 'a house built upon sand will

not stand when the storm comes'; and, therefore, as I think everyone of you will realize, because Indian people generally have a much quicker and deeper perception of spiritual issues than Europeans have, that it is the character of the people, their willingness to work hard, their sense of justice and fair dealing with each other, their obedience to governmental authority, their freedom from corruption, their sense of charity, their sense of obligation to the community and towards their neighbours—it is on these factors that in the last analysis prosperity will rest.

## THE GOVERNMENT OF CEYLON

By W. IVOR JENNINGS

CEYLON has been described as the model colony because, by the time these words are published, it will have completed by peaceful evolution the full development from crown colony to independence within the British Commonwealth of Nations. The Dutch territories in the Island, which did not include the Sinhalese kingdom of Kandy, were captured by the British in 1796 as an incident in the French war. They were at first attached to the Madras Presidency, but when they were formally ceded to the Crown by the Treaty of Amiens in 1802 they were converted into a crown colony. The kingdom of Kandy was vested in the Crown by the Kandyan Convention in 1815 and for a time was governed separately; but by 1833 it had been assimilated with the rest of the Island. Until 1920 Ceylon was governed autocratically as a crown colony with the usual Executive and Legislative Councils, the former being wholly nominated and containing an official majority, the latter containing an official majority, though the unofficial element was gradually increased and included a small elected element from 1910.

In 1920 an unofficial majority was provided in the Legislative Council, but the Governor was given special powers in matters of 'paramount importance' and only 19 of the 37 unofficial members were elected—eight of them for communal seats. In 1923 and 1924 the Constitution was again altered, with the result that the colony obtained representative government. The Legislative Council then contained 12 officials, 3 nominated unofficial members, 23 members elected for territorial constituencies, and 11 members elected for communal constituencies. The franchise was very restricted (only about 4 per cent. of the population voting), the Executive Council was still wholly nominated, and the Governor retained special powers.

Seven years later the Constitution was again amended following the recommendations of the Donoughmore Commission<sup>1</sup>. Two changes of fundamental importance were introduced; the franchise was extended to all domiciled adults without a property or literacy qualification, and communal representation was abolished. The State Council which replaced the Legislative Council consisted of 50 members elected for territorial constituencies, eight members nominated by the Governor to represent minorities, and three officials

<sup>1</sup> Cmd. 3131 (1928).

with the right to speak but not to vote. The 58 unofficial members divided into seven executive committees, which were charged with the general direction and control of administration, except for defence, external affairs, the public services, law and finance, which were controlled by the three officials as officers of State. Each committee elected a chairman who was appointed as Minister by the Governor. The seven Ministers formed with the three officers of State the Board of Ministers, but again the officials had no right to vote. The Board was collectively responsible for financial measures and for the arrangement of the business of the State Council. The Governor retained special powers but used them sparingly.

The Donoughmore Constitution was accepted by the Legislative Council by a majority of two votes only. It was boycotted in the Northern Province not only because it gave inadequate representation to the Tamils but also because it did not provide for self-government. Immediate efforts were made by the State Council elected in 1931 to secure radical amendments. There were debates in the Council and representations by the Board of Ministers, but both were unsuccessful. One of the reasons given was that the Board, like the Council, was not unanimous. It contained two minority members who dissented from their colleagues' proposal to have the Ministers elected by the State Council and not by its executive committees because the proposal might result in an exclusively Sinhalese Board. After the elections of 1936, therefore, the Sinhalese leaders arranged to have a wholly Sinhalese Board elected under the existing rules, thus demonstrating to the minorities that in any event they must depend on Sinhalese votes. This step, even if justified in the short term, was unfortunate in the long term, for it weakened the Ministers' own case; henceforth it could be alleged that their proposals were mere Sinhalese proposals.

Further proposals were made by the Board in 1937 and resulted in a decision that the new Governor, Sir Andrew Caldecott, should make a comprehensive report on the subject. This report was published in 1938<sup>2</sup> and was debated at length in the State Council, most of its proposals being decisively rejected, though there was no agreement on alternatives. Meanwhile war had broken out. In 1940 it was decided to prolong the life of the State Council and in 1941 it was announced that the question of constitutional reform would be examined by a Commission or Conference after the war. This was unacceptable to the Ministers who continued to press for a decision. In 1942, on the occasion of the Cripps Mission to India, the State Council voted unanimously for Dominion Status and requested that Sir Stafford Cripps should visit the Island. This was refused, but in May 1943 a further declaration was made, stating that the post-war examination of the problem would be directed towards full self-government in matters of internal civil administration and authorizing the Ministers to draft constitutional proposals subject to certain conditions

<sup>2</sup> Cmd. 5910.

relating mainly to defence and external affairs. The acceptance of their proposals was made conditional on their being supported by three-quarters of all the members of the State Council.

The Ministers accepted the offer on the basis of an interpretation which was declared by the Secretary of State to be 'not irreconcilable' with the Declaration of May 1943. They proceeded to draft a Constitution which was submitted in February 1944<sup>3</sup>. His Majesty's Government thereupon decided to appoint a Commission, with Lord Soulbury as chairman, to examine this and other proposals. The appointment was regarded by the Ministers as a breach of the Declaration of May 1943; they therefore withdrew their Draft Constitution and refused to give evidence to the Soulbury Commission. Nevertheless, the Commission accepted the Ministers' scheme subject to the addition of a fairly impotent Second Chamber and a number of minor modifications<sup>4</sup>.

Meanwhile the Leader of the State Council, Mr. D. S. Senanayake, had been invited to London. He submitted a case for Dominion Status. It was rejected as an immediate policy, but some important modifications of the Soulbury scheme were made in a White Paper<sup>5</sup>, which also contained a conditional promise of Dominion Status in the not too distant future. The White Paper was accepted by the State Council by 51 votes to 3, the small minority being composed of the two Indian members and one left-wing Sinhalese. All the other Sinhalese, all the Ceylon Tamils and all the Muslims who were present at the debate voted in its favour, there being no abstentions. Accordingly the Ministers had obtained not a mere 75 per cent. majority but practically 90 per cent.

The Order-in-Council containing the new Constitution was thus based on the Ministers' Draft, as modified by the Soulbury Commission, as modified again by the White Paper. A Delimitation Commission having been set up, new constituencies were delimited and new electoral registers prepared. A general election was then held in September 1947 and resulted in the return of 42 members of the United National Party (U. N. P. formed by Mr. Senanayake), 18 Marxists (divided into three groups), 14 communal candidates (seven for the Tamil Congress and seven for the Ceylon Indian Congress), and 21 Independents. Six more Independents were appointed by the Governor to represent Burghers and Europeans. Mr. Senanayake formed a Government consisting of members of the United National Party (nine Sinhalese and one Muslim), two Independents (both Ceylon Tamils), and two persons (both Sinhalese) who will presumably be elected or nominated to the Senate. At the moment of writing, only nine of the Parliamentary Secretaries have been selected. Of these, seven (five Sinhalese and two Muslims) are members of the United National Party and two (one Sinhalese and one Tamil one) Independent. It seems probable that the U. N. P., with Independents' support, will be strong enough to maintain a majority in both Chambers.

<sup>3</sup> Sessional Paper XIV of 1944.

<sup>4</sup> Cmd. 6677.

<sup>5</sup> Cmd. 6690.

## III

The new Constitution makes no change in the franchise. Its foundation is domicile, all persons over 21 domiciled in the Island being entitled to vote. There is in addition a literacy and property qualification which brings on the registers a substantial number of non-domiciled Europeans and Indians, especially in Colombo. It is also possible to take out a 'certificate of permanent settlement' which entitles to the franchise, but Indian labourers generally, on the advice of the Ceylon Indian Congress, have not made use of this provision. The Ceylon Indian Congress considers that Indians of five years' residence should be treated as domiciled, while most of the Ceylonese claim that persons not domiciled by birth should prove domicile according to law before being admitted to the franchise. A tentative agreement made in 1942 between the two Governments was ultimately rejected by the Government of India. The vote of the Indian members against the White Paper in 1945, the putting up of communal candidates at the general election, the appeals to the Indian voters to vote for the Prime Minister of India (who was alleged without authority to be supporting the Ceylon Indian Congress), and the use of the Indian vote against U. N. P. candidate in constituencies where there was no Ceylon Indian candidate, have not increased the chances of a successful negotiation. The Ceylon Indian Congress had a total poll of 72,230 and obtained 7 seats, while the U. N. P. had a total poll of 744,954 and obtained 42 seats.

The Donoughmore Commission rejected communal representation in 1928 and, in the opinion of most competent observers, this is one of the reasons for the quiescence, if not obsolescence, of communal politics in Ceylon. The Ministers in their Draft Constitution similarly rejected communal representation, but provided weightage for sparsely-populated provinces with the deliberate intention of increasing minority (i. e. communal) representation. The Soulbury Commission accepted this scheme, but also suggested the possibility of multi-member constituencies. The Ministers then accepted a voting scheme which would make this possible. The election shows that these arrangements produced a substantial minority representation, but the principle of territorial representation was maintained, so that every elected member of the House of Representatives sits for a territorial constituency. The communal distribution is as follows:—

<i>Province</i>	<i>Sinhalese</i>	<i>Indian or Tamil</i>	<i>Muslim</i>	<i>Burgher</i>
Western .. .. .	18	—	1	1
Southern .. .. .	12	—	—	—
Central .. .. .	10	5	—	—
North Central .. .. .	5	—	—	—
North Western .. .. .	9	—	1	—
Northern .. .. .	—	9	—	—
Eastern .. .. .	—	3	4	—
Uva .. .. .	4	3	—	—
Sabaragamuwa .. .. .	10	—	—	—
	<hr/> 68	<hr/> 20	<hr/> 6	<hr/> 1

Taking the votes in round figures, they were:—

<i>Community</i>	<i>..</i>	<i>..</i>	<i>..</i>	<i>Seats</i>	<i>Votes</i>	<i>Votes Per Seat</i>
Sinhalese	..	..	..	68	1,443,000	21,200
Tamils	..	..	..	13	240,000	18,400
Indians	..	..	..	7	75,000	10,700
Muslims	..	..	..	6	70,000	11,700
Burghers	..	..	..	1	16,000	16,000

It is thus clear that the Ministers' scheme considerably improved minority representation, though it must be realized that, since there were no communal seats, there was a good deal of cross-voting.

Also, the main parties were not only non-communal but anti-communal, and among them they obtained 60 out of 95 seats. The only specifically communal candidates were those of the Tamil Congress and the Ceylon Indian Congress, which obtained only 155,000 votes out of 1,870,000 votes cast, or only 8 per cent. It is true that Sinhalese candidates were put up in Sinhalese areas, Tamils in Tamil areas, and Muslims where they had some chance of success; but that was the basis on which the Ministers worked, namely, that *areas* where the minorities were strong should have stronger representation. Neither the U. N. P. nor the Marxist parties secured the return of a Tamil; but the U. N. P. was able to form a Government which was communally representative by bringing in Independent candidates. In terms of parties the results may be analysed thus:—

<i>Party</i>	<i>Sinhalese</i>	<i>Tamil</i>	<i>Indian</i>	<i>Muslim</i>	<i>Burgher</i>
United National .. ..	37	—	—	5	—
Sama Sama Ja (Trotskyist) ..	10	—	—	—	—
Bolshevik-Leninist .. ..	5	—	—	—	—
Communist .. ..	2	—	—	—	1
Tamil Congress .. ..	—	7	—	—	—
Indian Congress .. ..	—	—	7	—	—
Independent .. ..	14	6	—	1	—
Total .. ..	68	13	7	6	1

Except in the Northern Province, the essential contest was a purely political one, between the right-wing U. N. P. and the three Marxist parties.

#### IV

The Ministers had not suggested a Second Chamber because the subject was controversial and they needed a 75 per cent. vote in the State Council. Accordingly, they merely authorized the First Chamber to create a Senate by majority decision. The Soulbury Commission insisted on a Senate, however, because:—

1. Under the Donoughmore Constitution there was little risk of 'hasty and ill-considered legislation' reaching the statute book because of the powers of the Governor. Those powers having been removed, a revising Chamber was a necessity.



2. Some of the most eminent men and women in the country would not seek election but could make 'a valuable contribution to the political education of the general public'. They would be persons 'upon whom party or communal ties may be expected to rest more lightly, and who can express their views freely and frankly without feeling themselves constrained to consider the possible repercussions upon their electoral prospects'.
3. The Second Chamber would help the communal minorities because it would be 'a means of handling inflammatory issues in a cooler atmosphere'.

The Senate will be composed on the Burma model, though without the property qualification laid down in the Government of Burma Act, 1935. Senators must be 30 years of age and qualified to be electors. Fifteen will be elected by the House of Representatives by means of the single transferable vote and then fifteen will be appointed by the Governor acting in his discretion after consulting the Prime Minister.

If the members of the House of Representatives vote the party tickets, the U. N. P. will be able to elect at least six, the Marxists at least three, and the Tamil Congress and the Ceylon Indian Congress one each. The other four seats would be doubtful, though the U. N. P. would probably get one of them.

The Governor is instructed to 'endeavour to appoint persons who, in his judgment, have rendered distinguished public service or are persons of eminence in professional, commercial, industrial or agricultural life, including education, law, medicine, science, engineering and banking'. He is authorized, but not compelled, to consult persons or bodies representative of any profession or occupation.

The Soulbury Commission recommended that senators should sit for nine years, one-third retiring every third year. On Mr. Senanayake's representation, however, the White Paper provided that they should sit for six years, one-third retiring every two years. This will of course result in a gradual change in the party character of the elected members. At the first election there will be 15 seats to fill and seven preferences will win a seat; at subsequent elections (beginning in 1949) there will be only 5 seats to fill and 17 preferences will be required to win a seat. Retirement in 1949 and 1951 is by lot; and if a Tamil Congress or Ceylon Indian Congress representative retires he may not be re-elected. Probably the communal organizations will support each other's candidates, but if both representatives retire at the same time only one could possibly be re-elected.

The Soulbury Commission stated that the powers of the Senate should be 'powers of delay for the purpose of giving time for reflection and consideration.' Under the Constitution, 'money bills' must originate in the House of Representatives and can become law if they are not passed by the Senate in one month. Any other Bill may be delayed by the Senate for one session. The definition of 'Money Bill' is a good deal wider than that of the Parliament Act, 1911, and is in fact designed to overcome the difficulties to which that definition has given rise.

## V

The system of government is plain and simple Cabinet Government with no frills of any kind. It is certain that a convention of securing representation for communal minorities will develop, and Mr. Senanayake went outside his party to offer office to two Ceylon Tamils who stood as Independents. He was able to select a Muslim from within his party. Among the nine Parliamentary Secretaries so far appointed, too, are two Muslims and a Tamil. Since there are vacancies for five Parliamentary Secretaries, other minority members may be appointed when the nominated seats in the House of Representatives have been filled and the Senate has been constituted. There is, however, no hint in the Constitution that this convention should be established.

The Cabinet consists of all the Ministers. It is specifically made responsible to the House of Representatives and the conventions of the United Kingdom are expressly incorporated. Not less than two Ministers and not more than two Parliamentary Secretaries must be in the Senate. The number of Ministries is not fixed; though the Ministers' scheme provided for ten, the Soulbury Commission recommended that the number be left indeterminate. Mr. Senanayake has in fact provided for thirteen.

In some respects the Donoughmore Constitution bore relics of a colonial system in which officials were 'Heads of Departments' co-ordinated only at the political level through the Executive Committees. This meant that there was in fact very little co-ordination. The Ministers' scheme therefore provided for the integration of the Departments into Ministries. The new constitution has not gone so far but has merely provided for the appointment of a Permanent Secretary under each Minister who will, it is hoped, separate the political questions from the administrative, thus avoiding on the one hand the intrusion of politicians into administration and on the other hand the encroachment of administrators on politics.

The appointment, dismissal and transfer of officers has been taken out of politics altogether. It was believed by many that such communalism as existed in Ceylon was due in large measure to a fear of communal prejudice in the public service. Accordingly, the Ministers recommended that all appointments to the public service be controlled by an independent Public Service Commission and that all appointments to the judicial service be controlled by an independent Judicial Service Commission. The Soulbury Commission extended this arrangement to promotions and transfers, and the only modification of this scheme made by the Constitution is that the Prime Minister must be consulted.

It was of course realized by the Ministers when they opted for Cabinet government that it would require the development of a party system. The basis for that system existed already; for though the peculiarities of the Donoughmore Constitution masked the conflict of economic interest and exaggerated the communal complaint (which has no economic basis), it was clear enough that the former conflict was the one which mattered. The Ministers therefore formed the U. N. P. as a party of the right-centre. Though there was no

time to build up an organization in depth and in some constituencies two or more U. N. P. candidates were recognized, it was able to contest 76 of the 89 constituencies and to win 42 of the 95 seats. In the Sinhalese areas the main opposition came from the Marxist parties, which put up 51 candidates and won 18 seats. All these parties regarded the intervention of the Tamil Congress and the Ceylon Indian Congress as irrelevant and mischievous; but the Tamil Congress won 6 of the 9 seats in the Northern Province and one in the Eastern Province, while the Ceylon Indian Congress won seven of the seats in the hills. The feature of the election was, however, the slaughter of the Independents and the splinter parties. There were 196 such candidates and only 21 of them were elected. Of the 175 defeated candidates no less than 104 forfeited their deposits through getting less than one-eighth of the votes cast. What is more, most of the winning Independents were in the educationally backward constituencies where the illiterate electorate has yet to learn the meaning of party. The experience of the Independents in the House of Representatives will no doubt demonstrate that there is no place in the new Constitution for more than a few of them; and, though it will be long before a two party system is established, the great majority of the constituencies are likely to return party men next time.

## VI

There are restrictions on the sovereignty of Ceylon, particularly in the fields of defence and external affairs, in the present Constitution. They need not be described, for they are to be swept away before this appears in print. On the day the Declaration of May 1943 was received Mr. Senanayake stated that he proposed to recommend to the Board of Ministers and the State Council that the offer be accepted as a step towards Dominion Status. His efforts since that day have been directed towards securing that status by peaceful persuasion. The Ministers' interpretation of June 1943 pressed open the door a little wider. Their constitutional scheme pressed the Declaration, so interpreted, to the utmost limit and perhaps a little beyond: it was indeed carefully drafted to enable it to be converted into a dominion Constitution with only incidental amendment. When it was discovered, in July 1945, that the Soulbury Commission had accepted the main lines of the Ministers' scheme, Mr. Senanayake stressed its incongruities and difficulties and made a forceful plea for dominion status. As a result, dyarchy was completely removed and a contingent promise of dominion status was obtained in the White Paper.

The next step was to secure a virtually unanimous vote from the State Council, and this was done. All communities except the Indians supported the White Paper. In the process of drafting every care was taken to get all incidental questions decided in favour of self-government. Finally, in February 1947, Mr. Senanayake felt strong enough to reopen the question of dominion status. The White Paper had been accepted almost unanimously, an agreed Constitution was coming into operation, and the constituencies had been delineated. He asked for, and obtained, an undertaking that as soon as responsible government had been established and agreements for the transfer of power had been

made, Ceylon should become a fully self-governing member of the British Commonwealth of Nations. His Majesty's Government acceded to the request in June 1947 and tentative agreements, for submission to both governments, were made. There is not the slightest doubt that they will prove acceptable to the new Cabinet.

Thus Ceylon will have obtained dominion status by peaceful persuasion, without a shot being fired or a civil disobedience movement. It is no doubt true that the persistent propaganda of the Indian National Congress helped to educate British opinion towards self-government for Ceylon; but it is believed by many that the communal difficulties of India helped to overemphasize the minority problem in Ceylon and that, had India accepted the offer of August 1940 or the Cripps plan, Ceylon would have been accorded dominion status in July 1945.

There is of course a section of opinion which favours independence outside the Commonwealth. It is not however clear how much of this is mere electioneering. The U. N. P. obtained great kudos from Mr. Senanayake's successful strategy and did not hesitate to use it in the elections. The Island's strategic position is a potential source of danger in the event of war, and the danger will be increased if the Indian Army becomes no longer available for its defence. What it requires most, however, is defence by sea and air. Since the Island is a link in the sea and air-routes from Europe to Australasia it is equally important to the British Commonwealth that it should be adequately defended. It is therefore contended that an agreement can be made with Great Britain which does not interfere with the Island's independence but which is mutually advantageous to both countries. Further, the Island's economic relations are mainly with the remainder of the Commonwealth and it would suffer severely from the loss of imperial preference. It is on these grounds that the case for independence within the Commonwealth is based, and it is not very clear that there will be any considerable opposition once the new system is working and its advantages become obvious.

## THE NEW CONSTITUTION OF CHINA

*By HSYU YIH-SIENG*

By the promulgation of the New Constitution on 1 January 1947, China stands on the threshold of a constitutional régime with a democratic basis and the period of political tutelage under the Kuomintang will come to an end at the time of its enforcement on the coming Christmas Day. Several steps have successively been taken in the preparation for its enforcement. Immediately after the promulgation, the National Government has been re-organized as an interim government by allocating some highest governmental posts to the members of the two minor parties—the China Youth Party and the Social Democratic Party. Supplementary laws on the organization of the constitutional government and the various elections and recalls were published. Institutions for holding such elections were simultaneously installed. Meanwhile, the bloody and fratricidal war continues with increased momentum

for the purpose of suppressing the Communists who denounce it as illegal and mobilize their armed forces into open revolt. Although no peaceful solution appears to be in sight, the National Government is determined to enforce the New Constitution at all costs, by ballot as well as by bullets.

Demands for the establishment of a constitutional democracy and the transfer of the reins of government to the people have been the main planks of the popular movement in recent years. One who admires a liberal democracy with a multi party system always looks at a single-party rule as having the tendency towards a military and personal dictatorship. Conflicting personalities, and the formed and disbanding cliques, lay behind the politics of the intra-party struggle for domination. The Communist schism and insurrection, the Japanese aggression and invasion, the devastating civil strife, together with the bankruptcy of the rural economy, have landed the country in a chaos. In order to cope with such a national crisis, the most urgent and necessary programme is to broaden the foundation of the National Government upon a more democratic basis by shortening the period of political tutelage and establishing a constitutional government. This movement, started in 1929, has continued throughout the whole period of the late Sino-Japanese War and found expression in many of the resolutions of the Peoples' Political Council.

In the meantime, the establishment of a constitutional government has been avowed to be the final aim of the National Government in her reconstruction plans, as it had been definitely laid down in Dr. Sun Yat-sen's 'Fundamentals of National Reconstruction'. According to his programme, the process of establishing a genuine democracy would be conducted by a course of revolutionary action consisting of three steps, namely, the period of Military Operation, the period of Political Tutelage, and the period of Constitutional Government. In the first period, the party shall come to power and exercise its control over the whole nation by force. After having swept away the last vestige of feudalistic militarism and mandarinism in China it shall pass to the period of political tutelage. During the second period, the Kuomintang, acting as the sole agent in the exercise of the political authority, shall devote itself to the political education of the people in the arts of democracy by developing local self-government throughout the country so as to further the social and economic reconstruction and the gradual establishment of constitutional government as its final aim. From the theoretical point of view, this political tutelage differs from the Fascist régime and resembles the Russian one in that its dictatorial character is avowed to be transitory, and democracy is regarded as the definite goal of the political programme. It is only in the third and final period of constitutional government, that the people shall become sovereign and take the reins of government. For an understanding of such a programme it is necessary to take a brief glance at the constitutional development since the last decade of the Manchu dynasty.

It is generally alleged that though the constitutional movement in China has a history of more than forty years, it has been proved to be a definite failure. Nevertheless, it represents a struggle for democracy, and illustrates the immense difficulties of transplanting exotic institutions without first preparing the

soil for it. Before the establishment of the National Government, there were six documents that have claimed recognition as the Constitution, permanent or provisional, of the country; but they were soon ignored and became obsolete. In 1908, the Manchu dynasty, upon the popular demand for a constitutional monarchy, promulgated an outline of Constitution, modelled after that of Japan, which placed a monarchy with an inviolable and omnipotent emperor, alongside an enumeration of the rights and duties of his subjects. At the threat of revolution, the Manchus hastily promulgated the last charter, the Nineteen Articles of 1911, copied from the British constitutional monarchy with Cabinet system of government.

With the establishment of the Republic, the first document in the nature of a constitution was the General Plan for the Organisation of the Provisional Government, modelled somewhat after the American Constitution with a Presidential system and a Senate. The Provisional Constitution of 1912 introduced in its rudiments the French system of the premier's responsibility to the Parliament, thus putting Yuan Shih-kai in a position to exercise the function somewhat like a French President. Although in the Third French Republic the power of dissolution was scarcely exercised, yet Yuan dissolved the Parliament in the next year. He promulgated a Constitutional Compact in 1915, and reintroduced the Presidential system to enable him to return to personal dictatorship and eventually to crown himself as the Son of Heaven. After the death of Yuan Shih-kai, the Parliament convened in 1916 endeavoured to draft a permanent Constitution for the country. But before finishing the task, it was dissolved again under the pressure of the militarists in the next year. Then followed the restoration of ex-Manchu Emperor by General Chang Hsün and the civil strife among the various military cliques. In 1923, Tsao Kun, by using heavy bribes, got himself elected to the Presidency and in order to legalize his position, hastily revised the draft of 1917 and promulgated it as a permanent Constitution, modelled largely upon the Third French Republic with variations borrowed from Germany and America. But it was never treated with respect by the government of the day nor had it acquired any authority among the people and finally the *Coup d'état* of 1924 set it aside *in toto*. In the following years the militarists reigned from all quarters and the country was in a condition of anarchy.

The vicissitudes of the Peking Republic showed no sign of a natural constitutional development. *Coup d'état*, brusque change and sudden break of continuity had frequently happened. The form of government was rather superficial. It was saturated with Western formalism and was far removed from being a reality in its operations. The dominant forces in the scene were the feudalistic militarists and the mandarinates, under whose autocratic and despotic rule, the people lived in ignorance. The Parliament, though thrice convened but was shortly dissolved under pressure, merely became the tool and then the victim of those who had no belief in parliamentary rule.

Upon the success of the Northern Expedition and the unification of the country by Kuomintang in 1928, the National Government in Nanking announced

the ending of the period of Military Operation and the beginning of the period of Political Tutelage, which was set for 1930-1935. The National Government, although adopted the committee system after the Soviet model during its first period, was reorganized in order to install the Five-Power Constitution, a system unique among the modern States. It entrusted the five fundamental divisions of governmental activities to the following Yuans,—the Executive, the Legislative, the Judicial, the Examination and the Censor. The government was headed by a President wielding considerable power, with a Council of the State serving as the chief co-ordinating agency. All the major and key positions were elected by and responsible to the Central Executive Committee of the Kuomintang which was elected by the National Party Congress, the Supreme organ of the party. The Central Executive Committee created a Central Political Council which directed and controlled the National Government in the administration of State affairs. Thus the flow of political authority ran from the Central Executive Committee, the Central Political Council to the National Government. This Party-Government relationship was sanctified by the promulgation on 1 June 1931, of a Provisional Constitution which was enacted and adopted by a National People's Congress for the purpose of accelerating the realization of a constitutional government.

Had the Lukouchiao Incident not happened, a permanent Constitution might have been adopted ten years ago. The chief political question before the National Government at the outbreak of Sino-Japanese war was the adoption of a permanent Constitution for the inauguration of a constitutional government. With a view to achieve national unity and reconstruction so as to resist the Japanese aggression, the Legislative Yuan since 1933, had endeavoured to draft a Constitution for China to make her a *San Min Chu I* Republic. Four drafts were prepared and revised, and a final draft was proclaimed on 5 May 1936 to be examined and adopted by a National People's Congress which would be convoked in November 1937. The Japanese invasion caused the establishment of the constitutional government to be postponed several times. At last it was scheduled for the Congress to be convened as a Constitutional Convention on 12 November 1946.

In the meantime, different and conflicting opinions were expressed as to the advisability of adoption of the Draft Constitution as well as to the composition of membership of the National People's Congress, since new factors have sprung up during the Sino-Japanese War. The Draft Constitution, in spite of its being a product of two-years' deliberative and prudential work, was much discussed. Numerous suggestions were proposed for its revision so as to make it more democratic and more adaptable to the peaceful reconstruction of China. Most of the delegates to the Congress were elected before the war and could not represent the *vox populi* after such a bloody resistance against the Japanese invasion for eight years. It was suggested that the Congress should be reorganized on a new electoral basis and be thrown open to all parties in the same way as it had been the case with the People's Political Council, which, as an advisory all-party representative body, had rendered valuable services to the National Government. Moreover, the reconciliation with

the Chinese Communist party after the New Fourth Route Army Incident in 1941 had not made much progress and the country was facing an imminent civil war after the Japanese surrender. By tolerance and compromise, agreements were reached in the Political Consultative Conference which was held in January 1946 and composed of the delegates from all parties including the non-partisans. The agreements laid down, among other things, twelve principles for the revision of the Draft Constitution and a quota of representatives for each party to participate in the Congress.

The National People's Congress was convened in November 1946. Its total membership, amounting to 2050, was made up of representatives elected from the provinces, municipalities, the professional groups, oversea Chinese, Inner Mongolia and Tibet, the Army and the Women's Associations, and in addition, the delegates of all parties. Members actually present, however, were more than sixteen hundred, dominantly the Kuomintang members, with a handful of the China Youth Partisans and non-partisans. The National Government was not successful in persuading the Chinese Communist Party and the Democratic League to participate. Both refused, despite the offer of a quota. Only the Social Democratic Party, affiliated to the League, was wavering. A revised draft Constitution, based mainly on the Draft Constitution of 1936 and modified in accordance with most of the principles proposed by the Political Consultative Conference, was submitted by the National Government for adoption. However, an opposition clique was formed, which proposed, as it did in March during the second plenary session of the Central Executive Committee, to work out a Constitution other than the revised draft and put it in force at once. It was owing to President Chiang Kai-shek, who used his personal influence to urge the whole Congress to vote for the revised draft and to act simply as a Constitutional Convention, that the revised draft got its passage with several amendments and its adoption on 25 December 1946, by a unanimous vote of the Congress.

The New Constitution, as a document, consists of 14 chapters and 175 Articles with a preamble declaring:

By virtue of mandate received from the whole body of citizens and in accordance with Dr. Sun Yat-sen's bequeathed teachings on the founding of the Republic of China, the People's Congress, in order to consolidate the State's Sovereignty, protect the people's rights, ensure social security, and promote people's welfare, do ordain this Constitution and cause it to be promulgated throughout the land for faithful and perpetual observance by all.

As a result of this preamble, the fundamental principles underlying the New Constitution could be traced to Dr. Sun Yat-sen's bequeathed teachings; but various deviations and inconsistencies occur as a result of the compromise between different and conflicting opinions, with Kuomintang's several concessions to the demands of other parties and non-partisans. Such case as has been stipulated in Art. 1 'the Republic of China, founded upon the *San Min Chu I*' is a democratic republic of the people, by the people, and for the people,' it may be noted, has been modified by an addition of Lincoln's motto. Neverthe-



less, since the *San Min Chu I*, or the Three Principles of Nationalism, Democracy, and People's Livelihood, was accepted as the cardinal principle for the reconstruction of China, it has been embodied elaborately and interwoven into numerous Articles throughout the text of the document. But great alterations were made in the organization, powers and functions of the People's Congress and of the Central Government, respectively. The government, in spite of retaining the Five Yuan system in form, adapts itself much more closely to the constitutional principles of modern democratic institutions.

The New Constitution provides that the sovereignty of the Republic of China, as it has been stipulated since the Provisional Constitution of 1912, is vested in the whole body of citizens, including all persons who acquire the Chinese nationality. Citizens express their sovereignty by the right of political franchise; and an equal universal suffrage is provided with age qualification fixed at twenty. Being discontented with a mere statement of popular sovereignty and having no belief in a purely representative system, the progressive movement in the United States has sought the means of giving direct to the people the power of exercising their sovereign rights by introducing the Swiss methods of initiative, referendum and recall, which were incorporated in most of the democratic constitutions in Europe after the first world war. Citizens are not only to control the government through their representatives; they are to be the direct holder of political power. This principle, known as the people's right to exercise the four 'political powers' was advocated by Dr. Sun Yat-sen since 1919, but owing to the vast territory and tremendously wide extent of electorate, it had paradoxically to be delegated to the People's Congress to exercise these powers as the supreme organ of the State. The People's Congress in the New Constitution is representative in principle, composed of delegates elected from each district and municipality, Inner Mongolia and Tibet, national minorities in the frontier regions, oversea Chinese, occupational and women's associations; but its powers and functions are greatly reduced to an electoral college and recalling agency of the President and Vice-President, and a constitutional convention for amending the Constitution by initiative and referendum. The representative system is strengthened by means of organizing the Legislative and the Censor Yuan each upon a different electoral basis. All their members are subject to the recall by their constituencies, and citizens remain to be a final resort of popular sovereignty. The people's right to exercise the power of election, recall, initiative and referendum is expressly stipulated.

Declaration of the rights is often incorporated in, or connected with, a written constitution; and the example is set by the American State Constitutions since 1776 and imitated in the French Revolution. The dominant note is individual resistance to oppression and the guarantee of individual's natural rights which are not derived from and are not to be modified by the laws of the State. By the French Constitution of 1795, duties are equally emphasized as correlative to rights, for society cannot be maintained unless those composed it both know and perform their duties. The Weimar Constitution in Germany followed a somewhat similar method by embodying the Declaration of the Fundamental Rights and Duties. It is a general saying that one of the most

difficult problems of democratic government is the reconciliation of individual interests with the general interests of the whole body of citizens. The individual freedom and the need for civic order should be very carefully balanced. Most of the previous Chinese Constitutions since 1908 provided a chapter on the rights and duties, in which the rights, after the continental fashion, were guaranteed, or should not be restricted except in accordance with the law. In conformity with the international movement for the protection of human rights sponsored by the United Nations, the New Constitution expressly and positively guarantees the rights and liberties which shall not be restricted by law, except for the sake of preventing interference with other's rights, averting a national crisis, maintaining civic order, or promoting public interest. The New Constitution, after laying down the two essential duties of paying taxes and performing military service, enumerate all the liberties and rights—personal, economic, social and political, such as, equal status before the law, irrespective of sex, religion, race, class and party; liberty of person, with minute provisions on the procedure of a writ of *Habeas Corpus*, freedoms of domicile, speech, lecture, writing and publication, of secrecy of correspondence, of religious worship, of assembly and forming associations; right to live, work, receive elementary education, and to hold private property; right to present petition, appeals and legal proceedings, right to exercise the power of election, recall, initiative and referendum, to compete in public service examinations and to hold public office, and all others which are not detrimental to civic order and public welfare. Any public functionary who illegally infringes upon any personal liberty or right shall, besides being subject to disciplinary punishment, be responsible under the criminal and civil law, and the injured person may claim from the State damages sustained.

In the framework of government, the traditional principle of the separation of powers is regarded fundamental and essential to a constitutional government as advocated by Montesquieu and strictly followed in American Constitutions. Although it has been criticized as inconsistent with realities and greatly impairing the governmental efficiency, those who emphasize on individual freedom still uphold it as a safeguard for democracy. They argued that if this principle were disregarded, the result would be an autocratic and tyrannical government. In the New Constitution, the governmental powers are distributed among five Yuans and each is the highest organ of the State in its sphere of powers. Nevertheless, over and above them stands the President of the Republic, who, being 'the Head of the State', is empowered to arbitrate in any controversy among the five Yuans, which cannot be settled according to constitutional provisions, by calling a conference of the presidents of the Yuans concerned. Moreover, in order to place additional limits on each *separate* Yuan, an elaborate system of 'checks and balances' is also provided, whereby the President of the Republic or each Yuan is checked by one another; but the operation of such inter-Yuan checks involves an overlapping of the spheres of powers.

Being elected by the People's Congress for a term of six years with eligibility for another term, the President of the Republic is vested with extensive

powers. He has a status rather close to the American Presidency. With the consent of the Legislative Yuan, he appoints the president of the Executive Yuan; and with the consent of the Censor Yuan, he appoints the president, vice-president and grand judges of the Judicial Yuan and the president, vice-president and Commissioners of the Examination Yuan. He is the Commander-in-Chief of the armed forces of the State, including the Army, the Navy and the Air forces. In accordance with the Constitution and laws, he shall promulgate laws, issue orders, declare war, negotiate peace and conclude treaties, declare and terminate the state of emergency, grant amnesties and pardons, appoint and remove civil and military officials, and confer honours. Moreover, during the adjournment of the Legislative Yuan, he is empowered to issue emergency ordinances with the resolution of the Executive Yuan, in case of natural calamities like plague, or financial and economic crisis which requires immediate steps to be taken. These ordinances shall be submitted, after one month of their promulgation, to the Legislative Yuan for ratification, and shall become null and void on rejection by the latter. In such a way, even if the Executive Yuan were a real cabinet government, the President of the Republic would not be a mere titular head of the State as the late President Lin Sen was, but would be like the Reich President under the Weimer Constitution.

The most delicate and disputed problem in the central government centres on the relations between the Executive Yuan and the Legislative Yuan. The success of English democracy depends much upon the cabinet system, which, by being a leading committee of the Parliament, has solved the problem of combining popular control with the governmental efficiency. It has been regarded as a great contribution to modern democratic constitutions and was incorporated with variations into most of the European Constitutions after the first world war. Since three of the previous Constitutions of China were modelled after the cabinet system, suggestions for adopting such a system were made during this New Constitution-making period, but different and conflicting opinions rendered it to be partially incorporated in the New Constitution. The president of the Executive Yuan is somewhat similar to the Prime Minister in assuming the rôle of a real executive by choosing his colleagues, including the vice-president and all the ministers and commissioners who are to be appointed by the President of the Republic on his recommendation. All laws and orders shall be countersigned by him or the ministers concerned. An Executive Council, composed of the president, vice-president and ministers and commissioners, with or without portfolio, shall decide on all the important matters which should be submitted to the Legislative Yuan for enactment, and matters pertaining to two or more ministries or commissions. The Executive Yuan is responsible to the Legislative Yuan for the submission of the governmental measures and reports, and its members are subject to interpellation, but without the power of dissolving the latter. Nevertheless, when the Legislative Yuan does not assent to its important policies and ask their change by resolutions, the Executive Yuan may return them for reconsideration with the approbation of the President of the Republic. After such reconsideration, if two-thirds of the Legislative members present maintain the original resolution,

the president of the Executive Yuan shall accept the resolution or resign. On the other hand, the Executive Yuan has a suspension veto on bills, budgets and treaties which have been enacted by the Legislative Yuan. It shows another example of checks and balances.

The Legislative Yuan and the Censor Yuan are two representative assemblies in the central government; both are organized on elective basis, but exercise quite different powers. The Legislative Yuan is composed of members elected by the electorate of provinces, special municipalities, Inner Mongolia and Tibet, national minorities in frontier regions, oversea Chinese, and occupational associations, with a term of three years and re-eligibility but subject to recall by their constituencies. So long as the People's Congress does not exercise its power of initiative and referendum on ordinary statutes, the Legislative Yuan is now the single chamber of legislation on bills, budget, state of emergency, amnesties, declaration of war, negotiation of peace, conclusion of treaties and all important matters of the State. All bills shall be promulgated by the President of the Republic after having received them from the Legislative Yuan for ten days, but subject to the suspension veto of the president of the Executive Yuan. The Legislative Yuan has a control over the Executive Yuan by means of the power of interpellation, which is, as Duguit calls it, the French 'Chamber's chief means of action and the best weapon of minorities.'

The power of control over the government is chiefly vested in the Censor Yuan, which is composed of members elected by the local representative assemblies and associations of oversea Chinese, serving a term of six years with re-eligibility. Besides giving its consent to the Presidential appointments, it has the powers of impeachment, censure, and auditing. All the central and local public functionaries, from the President of the Republic downward are subject to its impeachment or censure on charge of illegal action or negligence of duty. In order to carry out its censorial power fully, its members are also provided with the parliamentary privileges, and the Censor Yuan may request the Executive Yuan, ministries or commissions to produce the orders and documents for inspection, and investigate or enquire into any activity of administration. For the exercise of auditing power, an Auditor-General is appointed on recommendation of the President of the Republic with the consent of the Legislative Yuan and shall submit his report of accounts to the Legislative Yuan.

As the highest judicial organ of the State, the Judicial Yuan is headed by a president and a vice-president and has the jurisdiction of civil, criminal, and administrative justice, as well as the disciplinary punishment of public functionaries, with a system of courts to be provided by law. That is what the present system is. The New Constitution establishes, in addition, a new institution of several 'grand judges,' who have the power to interpret the Constitution, as well as to unify the interpretation of laws and ordinances. 'When a statute or an ordinance comes into conflict with the Constitution, it may be declared as unconstitutional by the Judicial Yuan. Here it follows the American doctrine of Judicial Review, upon which the construction of Constitution much depends.

There is little change in the Examination Yuan so far as the New Constitution is concerned. The examination system and personal administration had a long history in old Chinese dynasties before any civil service commission had been established in the modern States. The Examination Yuan is also headed by a president and a vice-president with several members who shall conduct its affairs on non-partisan basis. All spheres of public personnel administration come under its jurisdiction, such as, the examinations, appointments, candidates' registration, service records, salary classification, promotion and transfer, guarantee of tenure, awarding honours, annuity, retirement and pension.

Between the central and local governments, the cardinal principle is the proper distribution of powers according to the nature of governmental affairs, so that, as advocated by Dr. Sun, 'there shall be neither undue centralisation nor undue decentralisation.' The New Constitution, follows the example of the Constitution of 1923, enumerates all governmental affairs and distributes them to the three levels of government—the central, provincial and district. The central government legislates and executes the affairs of national interest or delegates them to the local government for execution; while affairs of local interest are entrusted to the local governments. With distribution of powers provided by the Constitution, a federal system of government seems to have been introduced; but the essential feature of the unitary State is evident in so far as any dispute relating to the nature of governmental affairs shall be settled by the Legislative Yuan. Provisions are made for the local self-government of the provinces and districts. Both have the power to adopt its own charter in accordance with general rules laid down by the central government and subject to the supremacy of the Constitution and laws. Both are to be governed by legislative assemblies, consisting of a single chamber, and executives—governor or magistrates, elected directly by the electorate. The arrangements for popular election of governors and magistrates will set up a system of administrative decentralization to counter-balance the centralization of legislative power.

One of the most distinctive features of the New Constitution is its provisions on the 'Fundamental Policies of the State.' It is a general tendency after the World War I that most of the written Constitutions of modern States have provided therein some social and economic policies. But they have never provided so wide a scope as the New Constitution, which, by thirty three articles covers all the fields ranging from national defence, diplomacy, national economy, social security, education and culture, to national minorities in the frontier regions. They are stipulated on the recognition of the fact that the chief functions of the State must secure national independence and equality, international co-operation and world peace, social well-being of the people, and economic prosperity of the nation. Nevertheless, some inconsistencies and incongruities are obvious in the compromise between the principle of individualism and that of collectivism.

The significance of the New Constitution rather lies in the fact that another endeavour has been made to install a constitutional democracy in China. A

written constitution is merely a framework. What it will eventually turn out to be depends upon its enforcement. A common acceptance and support is necessary for its successful working, which, as experience shows, much depends upon the operation of political parties. As the Chinese Communist Party strictly adheres to its revolutionary tactics of seizing power by force, the Kuomintang remains to be the dominant party, while the minor parties are rather feeble in electoral campaign without the proportional representation in their favour. The common people are rather indifferent to the election and live in a miserable condition abounding with the social and economic crisis and the civil strife, drifting more and more to disaster; and the rule of law is still in a state of uncertainty as the privileged persons would not surrender their immunities. These will become the great obstacles for its enforcement.

## MACHINERY FOR PLANNING IN INDIA

By D. K. MALHOTRA

EVEN a cursory study of the contemporary events and the undertone of thought in India reveals the interesting fact that economic planning has ceased to be the live issue it was until a year ago. There are several reasons for it. The high-pitched enthusiasm for repairing the damage of war and making a big advance in raising production and standard of living which was such a marked feature of the later war period began to ebb in the rush and confusion of the post-war period. It was realized that even such plans as had been drawn up would have to be severely modified or pruned to meet the emergency conditions. At the same time, the internal political situation continued to deteriorate deflecting attention from the issue of planning. Moreover, the achievements in the matter of executing plans were so disappointingly meagre that popular interest began to flag, giving place to cynicism and despair. The recent momentous happenings consequent on the partition of the country have pushed planning further into the back-ground. Yet the whole question of planning is of such fundamental importance and is so deeply rooted in the daily needs of a poverty-stricken people that it cannot remain eclipsed for long. A clear definition of the objectives and lines of planning and the construction of an effective machinery for planning will have to be taken in hand in the near future. In this article it is proposed to deal with the latter, viz., the question of a suitable machinery of planning for India. This may be done under three broad heads: first, an examination of the bearing of the ideology of planning on machinery of planning; second, a review of the adequacy of such machinery for planning as was set up and third, a discussion of the kind of machinery that should be set up to formulate and execute a plan.

Planning in the sense of a carefully thought out, purposive and properly coordinated utilization of the resources of the country for the achievement of a pre-determined end within a specified period of time has not yet been undertaken in India. Some memoranda, notes and sketches of plans have no doubt been prepared by central and provincial governments and by eminent industrialists and others and for over one year a Planning and Development

Department also functioned at the Centre but no comprehensive and detailed plan for the country has been prepared nor has a plan been put in operation. No one is now deceived into thinking that a collection of targets based on guess estimates constitutes a plan or that the numerous sectional or partial 'plans' so called devised for dealing with immediate and pressing problems can be exalted to the status of a plan. A plan is really a social engineering project—it is based on a survey; it lays down broad as well as detailed objectives; it prescribes the means by which those objectives may be attained and it provides a machinery for the fulfilment of the objectives as also for a check-up on the extent to which they are being fulfilled.

Machinery is thus an important part of planning but there is sometimes a tendency to exaggerate its importance and to overlook that it is after all a vehicle of planning and not planning itself. While it is true that without suitable machinery to carry it forward, planning will turn out to be utterly inefficient, it is conceivable that even with a suitable machinery, planning may not go very far. The purpose, the ideological approach, the inspiration behind a plan—these are the soul of a plan; machinery is the body and just as soul, by common consent, takes precedence over the body, the ideological and inspirational aspects of planning may come before the organizational and administrative aspects. This leads to the vital truth which we are driving at and which is sometimes overlooked: *machinery of planning will be determined by and must closely conform to the purpose, outlook and ideological approach of the plan.*

While no coherent, unified and integrated plan informed by a single purpose and ideology has yet been prepared for India, some plans, in the limited sense, have been put forward, reflecting three broad but divergent trends of thought in regard to planning. The first trend of thought deriving its inspiration from Gandhian values lays emphasis on decentralized production in small and self-sufficient village units comprising small holdings and cottage industries. The second trend which is subscribed to by almost all the economists, industrialists and businessmen strongly favours the fullest utilization of all the resources of scientific knowledge and technique and the latest and most up-to-date machinery either within the framework of the system of mildly controlled private enterprise or under the aegis and control and, to some extent, even the ownership of the State. The third trend of thought favours a radical reorganization of economy so as to bring it in some measure of conformity with the Soviet economic system based on the ownership of all the means of production by a workers' State. It is not, however, clear whether such reorganization will be ushered in by a revolution on a national side or will be realized as part of a wider movement encompassing the entire world. These three trends of thought which were already taking shape in pre-1939 period found a concrete expression in the post-1943 years in what are known as, the Gandhian Plan, the Bombay Plan and the People's Plan. To review all the important body of thought that has already been given to the subject and as a starting point of further discussion, it will be desirable to study the machinery for planning recommended or prescribed in each of the three plans.

In the Gandhian Plan, while a Central National Planning Committee with

provincial branches is envisaged, the emphasis is on decentralization and as a necessary corollary on the Village Council or Panchayat—the smallest administrative unit with the largest possible autonomy in internal affairs. The Panchayat is to have a wide range of functions embracing allotment and collection of land revenue on the one side and regulation of village trade, industry and commerce by organizing credit and non-credit co-operative societies on the other. It is to be a directly elected body on a system of universal adult franchise. The activities of a number of village councils will be coordinated by a Village Group Council and the Group Councils in turn would have a higher administrative unit corresponding to the present Tehsil or Taluka. For several Tehsils or Talukas there will be District Councils and above these will be the Divisional Councils and Provincial Assemblies, these latter in turn sending their representatives to the Central Assembly. For all the Councils above the Village Council, the elections are to be indirect. This is the hierarchy recommended for the rural population; for the urban areas, there are to be Municipal Councils. Altogether it is a machinery built up from below with the initiative resting with the Village or Municipal Council and loosely held together and directed by a Central Planning Committee. In the Bombay plan, on the other hand, the directing authority is to be a National Planning Committee, a body representative of the various interests, which will be responsible for drawing up the plans. It is important, to note that the Bombay plan separates formulation from execution and provides for a separate body for *executing* the plan—a Supreme Economic Council working alongside the National Planning Committee. The exact manner in which the duties assigned to the two committees will be coordinated and their relation to the various provincial and regional governments have not been defined but it is indicated that while sufficient powers of coordination are to be vested in the central government, the administration of economic policy is to be delegated to provincial and local governments on a basis of wide decentralization. Besides these two bodies, there is to be an Economic Civil Service in the country to operate various controls required for planning, composed of persons with special education, training and experience appropriate to the economic functions of the State. The People's Plan does not define the machinery for planning in any detail but judging from its general approach, the general pattern will be after the Soviet model. A notable feature of the plan is the organization of producers' and consumers' co-operatives in order to eliminate middlemen.

Taken altogether, the Plans have given much more attention and space to matters such as targets, finance and the rôle of the State than to the machinery of planning.

## II

One must, therefore, necessarily turn to a study of the machinery which was actually set up from 1943 onward to undertake planning. It was in no sense a new machinery specially created for the purpose but partly an addition to the existing administrative structure and partly an adaptation of the structure to planning purposes. From the economic as well as administrative stand-points, there are four important layers in the pyramidal structure of India:



the village, the district, the province or state and the country as a whole. Taking them in the reverse order, the general pattern of planning at each level was as follows: At the Centre, there was a Reconstruction Committee (later a Coordination Committee) of the Governor-General's Executive Council along with a Planning and Development Department under the charge of a member of the Executive Council and Planning Advisers (or officers with similar status and functions) in the other departments. There were also a number of Policy Committees representative of central and provincial governments and also specialists and experts in the field to discuss and formulate policies relating to various matters such as trade, industries, shipping etc. In the Department of Industries, as many as 29 Panels were set up to determine the lines as well as the extent of possible development in all the important industries and to make recommendations in this regard. In the provinces, there was a Post-War Reconstruction Minister and in several departments such as agriculture, industries, co-operation and education, there were officers on special duty for planning. The coordinating authority vested, in so far as it was there at all, in the Reconstruction Minister. In some provinces, even planning sections were created in some of the departments. Beyond the provincial department level it was difficult to trace down the machinery to the districts where the overworked and harassed Deputy Commissioner or Collector—the chief executive officer—often found his work considerably enlarged by enquiries from the headquarters for information or suggestions for development. Similar enquiries were passed on by the departments to their district representatives. In this way there was a big haul of information of varying quality and accuracy which was later on served by the departments in the form of memoranda and schemes to the Reconstruction Minister and by the Reconstruction Minister in the form of a Provincial Plan to the Central Planning and Development Department which was supposed to perform the almost superhuman task of putting together these plans along with those of the central departments and to evolve a coherent and integrated plan for the whole country. This task has not been accomplished to this day. As for the execution of a plan, nothing tangible could be expected without a plan but some sort of planning went on in the central and provincial departments with a kind of loose and non-effective coordination and direction from the Planning Department.

The defects of such machinery both for preparing plans and getting them executed are apparent. There was, in the first place, no demarcation between the formulation and execution of plans and at all points in the planning hierarchy the two were combined in the hands of the same agency. At the Centre, it was felt that far too much initiative lay with the permanent civil servants in the departments and too little with the Hon'ble Members and Economic Advisers; too much again with the different departments at the Centre and in the provinces and too little with the Planning and Development Department at the Centre. The Indian states with their considerable area and population remained more or less on the periphery. In the provinces, planning resolved itself more into finding ways and means of spending the lumpsum

to be allotted from a capital fund over a five year period and one closely associated with this work was often amazed at the amount of hectic activity in some departments for putting together a number of plausible schemes in order to work up to the allotted quota. The plan for the department thus turned out to be a series of schemes prepared by the various sectional experts for expanding their own staff and activities, often with a reckless disregard for canons of public expenditure. Not enough time or attention was given to the task of coordinating the schemes or dovetailing them into one another. In fact there was no machinery or personnel to do so, for the simple reason that the whole set-up of administrative apparatus was attuned to executive or routine work rather than a dynamic constructive advance. Taking the whole range of services, central and provincial, there was, and still is, a noticeable paucity of planning-minded officials and a large preponderance of executive officials or routine workers. One great mistake made while initiating planning in this country was that a separate cadre of planning-minded officers in all the departments was not created. Another equally great mistake was that the machinery of planning remained too much at the top level—in the official stratosphere, as it were—and popular enthusiasm was not enlisted in sufficient measure through the already existing or *ad hoc* organizations of peasants, industrial workers, artisans and other similar groups. Village, the primary unit of social and economic life, almost entirely escaped notice and remained outside the reach of the planning machinery.

### III

It was necessary to sketch this background in order to bring into proper focus the whole question of a suitable machinery for planning in India. As any discussion about planning machinery without a clear conception of the type of economy which is to be planned will be purely an academic exercise, it is intended to proceed on the assumption that a mixed economy which blends private initiative and enterprise with the regulative and supervisory control of the State will be appropriate to the country's needs in the foreseeable future. The very fact that such an assumption has to be made brings out the importance of defining the economic content and bases of the future Indian constitution and of bringing the objectives and the outline of an economic plan into the text of the constitution itself. For planning to be a success it is essential that it should be placed on a statutory basis and taken out of the sphere of party system of government and executive decision. It should be a matter as sacrosanct as the Constitution and as compelling, the direct sanction behind it being the will of the people. It will be relevant to point out here in parenthesis that the first twelve articles of the Constitution adopted by U. S. S. R. in 1936 define the economic structure of the State and Article II specifically lays down that 'the economic life of the U. S. S. R. is determined and directed by the State national economic plan'. An appropriate way of doing it in India would be that the planning provisions of the Constitution should be drafted separately to constitute something like a distinct economic part of the Constitution and should, *inter alia*, provide for the creation of:—

1. a National Planning Commission with its indispensable adjuncts of a National Investment Trust, a Permanent Tariff Board, and Economic and Statistical Organization, a Waterways Board, and a Scientific Research Organization,
2. Provincial Planning Commissions, and for the bigger states, State Planning Commissions,
3. Boards of Development (on the lines of T. V. A.) for carrying out regional schemes, and
4. a Planning and Development Service distinct from the All-India Administrative Service.

Complementary to these will be the popular organizations, representative of people's opinion and initiative: Village Councils, Tehsil or Taluka Councils, District Boards and Standing Planning Committees of provincial and central legislatures. The basic idea underlying the whole planning machinery will be to institute a flexible kind of adjustment between the initiative and direction of governmental planning machinery, on the one hand, and popular opinion and will, on the other. The official machinery will provide a leaven in somewhat the same way in which the Communist party members in Soviet Union do on the collective farms and in the factories and end the slack in popular enthusiasm wherever it manifests itself. In a society which does not wish to accept a rigid measure of regimentation of daily life for any length of time but which desires at the same time to plan its resources and activities, there seems to be no escape from a planning machinery cast in such a mould.

Before entering on a more detailed examination of the general layout of the machinery suggested above and of its adequacy for the needs of three hundred million people, it will be desirable to sketch the nature of planning to be undertaken. The task of planning may broadly be divided into formulation of the plan and its execution. Formulation of the plan will involve: (i) survey of the existing position with special reference to the recent trends; (ii) determination of the general aims and lines of development to be pursued and (iii) preparation of concrete schemes to embody the general aims and lines of development. The execution of the plan will necessitate: (i) drafting and enactment of legislation to give effect to the lines of development and to the concrete schemes, (ii) getting together competent and trained personnel—administrative and technical—to enforce legislation and execute the schemes, (iii) association of popular opinion and initiative with the plan and (iv) check-up of the fulfilment of the plan at various stages and necessary emendations and modifications in the plan in the light of its working.

The responsibility for coordination and direction of all this work must naturally vest in the National Planning Commission but it will be a profound mistake to attempt, as in the past, to frame and put through plans from the top. In fact the most complicated problem in devising a suitable machinery of planning in a vast country like India with all her regional, provincial and local diversities is one of linking up the supreme coordinating authority at the top with the smallest unit at the base and achieving such measure of inte-

gration of the planning organizations at all levels as to ensure unified, purposive action all over the country. The lowest unit to be reached by the machinery is, of course, the village—the intermediate units being the Tehsil or taluka, district and province—and there will be about 400,000 villages or 175 districts in India, exclusive of the Indian states, to be brought within the orbit of the planning organization. For the whole of India, the number of villages will be about 550,000.

It would perhaps be ideal if the supreme planning authority could appoint one trained person in each village—the project of training 550,000 persons for village reconstruction work is, of course, not new but it has not yet been put forward in the context of planning. It is, however, a little too ambitious and, on second thought, it appears to be even unnecessary. Village as the foundation and the primary socio-economic unit of Indian life has shown tremendous survival value down the ages and planning machinery must bring it within its direct range. But it is hardly necessary for it to be represented in each village. A better course would be to have groups of villages made out on the basis of contiguity and common economic, social and cultural characteristics, each group consisting of about one hundred villages. There will thus be over five thousand groups for each of which a coordinating officer or Coordinator should be appointed to coordinate all the activities in respect of planning. Between the Central Planning Commission at the top and the Coordinator at the base there will be other coordinating authorities—a Provincial (or State) Planning Commission for each province, a Development Commissioner for each district and a Development Officer for each tehsil or taluka. None of these authorities will be expected to prepare sectional plans for agriculture, industries, education etc. or to examine the requirements and possibilities of development in different branches of economy taken individually. Their main function will be to take a broad general view of the problem of development for their own unit and to fit together into an integral whole all the sectional plans prepared for that unit by the organizations set up for the purpose.

It is, therefore, necessary at this stage to turn to these sectional organizations. The colossal task of preparing the multifarious plans for the numerous branches of country's economy will, of course, be beyond the capacity and resources of any Planning Commission, unless it is assisted by departmental or sectional organizations and experts. In this connexion it is of some interest to note that the U. S. S. R. Gosplan comprises five departments with twenty sections for Coordinative Planning and fifteen departments with forty four sections for Branch Planning besides another six independent sections. For India, such an elaborate design need not be recommended; the National Planning Commission, as we envisage it, will be a small, compact body consisting of five to seven members—but at the same time, a very close liaison between the Commission and the departments and sections will have to be set up. This can be attained best if in each department of the government at the Centre, and in the provinces or states, a Planning and Development section is created under an officer of the rank of an Additional Secretary (Planning) and/or

Additional Director (Planning). The sections in the central departments may be placed, for all purposes of planning, directly under the National Planning Commission and the sections in the provincial (or state) departments under the provincial (or state) Planning Commission. The provincial departments will be represented in the districts, tehsils and village groups by their own Planning Officers who will function directly under the Planning Section of the department. These Planning Officers at each level of Village Group, Tehsil or district will constitute respectively the Group Planning Committee, the Tehsil Planning Committee and the District Planning Committee working under the chairmanship of the Coordinator, the Development Officer and the Development Commissioner.

It would be futile to try to undertake planning without creating a new cadre of officers to constitute a new service which, it is proposed, may be styled, as Planning and Development Service. This would consist of trained experts in various fields—engineers, scientists, economists etc.—and of planning-minded officers and its members would take the entire charge of the machinery of planning and development. As years roll by, the service will build up its own traditions but its chief qualities would be vision initiative, a high level of integrity, expert knowledge and selfless service. One criticism that may be levelled against any suggestion of creating such a service is that it will create throughout the whole administrative structure of the country two vertical layers, one of planning officers and the other of administrative officers and this might in practice give rise to confusion of duties, duplication and friction. There is, however, no reason why it should not be possible to demarcate the spheres of work of the two kinds of officers and it goes without saying that for some time to come there will be room for both. Only when the State becomes a full-fledged planning State and its development schemes dwarf by their range and importance the routine tasks of administration, will the Administrative Service become superfluous.

The whole of this governmental machinery will work under the direction of the National Planning Commission assisted by the policy-making bodies attached to it. The Commission will consist of seven (or five) members of whom the chairman will be a person with long public experience and the remaining six members will have specialized knowledge and experience of agriculture, industries, transport, finance, labour, and science and technology. For several matters of policy it will depend for knowledge and advice on bodies attached to it. The rate of saving and investment, and the relation between investment and national income, for instance, will be studied continuously by the National Investment Trust who will also advise regarding the raising of loans within the country and abroad and take over the control of capital issues. The adjustment of the tempo of internal development to world trends, on the other hand, will be the responsibility of Tariff Board who will keep watch over the relative movements of prices and costs and will recommend whatever measures are necessary for allocating scarce materials and affording protection to industries in a suitable form. The Economic and Statistical Organization will collect, compile and analyse all the data relating to the various economic

activities to facilitate check-up of the progress of the plan, organize rapid as well as intensive economic surveys on territorial as well as occupational basis with the help of the Planning Sections of the central and provincial departments and tender advice regarding the feasible lines of development. The Waterways Board will be in charge of the development of the waterways with a view to their fullest utilization for irrigation, navigation and generation of power. The Scientific Research Organization will organize and direct research particularly with a view to the introduction of the latest and most scientific methods of production in industry and agriculture and to assist the industry to profit by all the advance made in scientific knowledge. Three out of these five bodies already exist but may have to be reorganized to meet the requirements of planning; the remaining two, namely the Trust and the Economic and Statistical Organization will have to be created.

As was emphasized earlier, governmental machinery, howsoever well-devised, will not be able to plan effectively unless it receives the fullest co-operation of the people acting through their own organizations. One of the greatest difficulties in carrying out a plan in this country is the undeveloped and unorganized character of the economy, with its small-scale farms, small shop or business, loosely organized trade, unorganized agricultural labour and not fully organized industrial labour. Effective planning presupposes very close integration of the economic life of the people through their associations, viz, co-operative village councils, cottage workers' associations, trade associations, professional associations (of teachers, doctors etc.) and trade unions. Along with the creation of governmental machinery it will, therefore, be necessary to take steps to encourage the establishment and development of these popular organizations. In this scheme of non-official planning organization will have to be fitted a council in each village, an association of cottage workers for each group of villages, professional associations for all the districts and provinces, one or more trade unions for each important industry and wholesale and retail traders' associations. The governmental planning machinery will contact at various points the representatives of these popular organizations; it will try to create enthusiasm where popular enthusiasm is lacking, supply knowledge where it is deficient and utilize both, where they are present, to speed up the execution of the Plan.

This then is the picture of the proposed machinery for planning—a National Planning Commission assisted by a number of expert bodies at the top answerable to the people through the legislature; Planning Commissions in all the provinces and states; special Boards of Development for particular regions; Development Commissioners, Officers and Coordinators down below in the districts, tehsils and village groups and all of them working in close cooperation and integration with the village councils, cottage workers' associations, trade associations, professional associations and trade unions. This machinery may appear to be a little too complicated and unwieldy but nothing very simple will meet the demands of the country. And in the final analysis, it is not merely a carefully thought out hierarchy of planning bodies that will give the people the planning that they so badly need but also the vision, insight, experience

and judgment of men who will be called upon to assume the responsibility of sitting on them. In far too many issues facing this country, it becomes evident over and over again that men are far more important than machinery; that men with ideas, breadth of mind and drive are scarce and that they cannot be thrown up except by a powerful upsurge of vitality, a vast ferment of thought throughout the entire range of our national life. In this upsurge, a revolutionary ardour must seize the people and keep a sustained hold over them over the whole period of plan, if even the most carefully devised machinery is to produce the results expected of it.

## A REVIEW OF LABOUR LEGISLATION IN SOUTH-EAST ASIA

By P. S. NARASIMHAN

### THE ECONOMIC BACKGROUND

THE countries in the South-East Asia region, viz., India, Burma, Ceylon, the Malayan Union and Singapore, Indonesia, Siam, Indo-China, China and the Philippine Republic, have all certain common and distinctive features which render profitable a regional approach to a study of their economic and social problems and, at the same time, make it extremely doubtful whether economic, social and labour policies, evolved in and adapted mainly to the more advanced and economically developed countries of the West and of America, can be equally successful in securing for the masses of the workers in Asia steadily rising standards of life and improved conditions of work. All the countries in the region are predominantly agrarian and indigenous agriculture invariably takes the form of subsistence farming. The proportion of the rural to the total population is 70.5 per cent. in Malaya (1931), between 71 and 85 per cent. in China, 86.5 per cent. in Ceylon (1931), 97.2 per cent. in India (1941) 92.5 per cent. in Indonesia and between 90 and 95 per cent. in Indo-China<sup>1</sup>. The transition from the self-sufficient subsistence economy of the past to a modern economy based on money and production for the market is not yet complete in any of the countries in the region and industrialization is in its infancy. An industrial proletariat based on wage-paid employment has, of course, been slowly but steadily emerging throughout the region during the past few decades as a result of the impact of Western business enterprise; and, its ranks are being swollen by the general exodus from agriculture, resulting from the increasing pressure of the population upon the available arable lands and the steady diminution in the size of agricultural holdings. But excepting in India and China, which today possess the barest framework of a modern industrial economy, in all the other countries in the region large-scale enterprise employing wage-paid labour is confined to plantations growing primary products such as tea, rubber, tobacco and sugarcane, a few processing factories, and mines. In no country in the region does the proportion of industrial wage-

<sup>1</sup> Strictly speaking these figures are not comparable as the bases adopted for classification are not uniform throughout.

earners in large-scale enterprises exceed 5 per cent. of the gainfully employed population, and even this extremely small demand for labour has had to be met in Burma, Ceylon, Malaya and parts of Indonesia and Indo-China by the organized import of immigrant labour from the neighbouring over-populated areas, such as, India, China, Java and Tonking. As a result of retarded economic development and the steady increase in population, incomes are extremely low, malnutrition is widespread, resistance to disease almost non-existent and few parents are able to afford to send their children to school. This has naturally established in all the countries of the region a vicious circle of low incomes, ill-health, illiteracy and inefficiency, leading on in its turn to a low level of wages. An illiterate, heterogenous working class steeped in poverty and largely dependent for its employment on the world price of a few primary products such as rubber, tea, teak and tin, which has yet to reconcile itself to regular work in a factory or a plantation and still hopes to go back sooner or later to its ancestral vocation, namely, subsistence farming on a dwarf holding, has not naturally been able to throw out from among its own ranks trade union leaders who could take the lead in organizing the wage-earning class and creating effective public opinion in favour of progressive social and economic policies. The initiative for such labour legislation as has already been placed on the statute book has had, therefore, to come from the State itself, from public workers coming from outside the ranks of the wage-earners, or from the Conventions and Recommendations adopted by the International Labour Conferences. Again, labour legislation pure and simple, on the conventional lines merely regulating hours of work and working conditions, prescribing a minimum age for admission to employment, providing for weekly and annual holidays with pay, and introducing the more elementary forms of social security such as compensation for occupational accidents and disease, maternity benefits and sickness insurance, cannot obviously, in these countries, eliminate the root causes of the workers' poverty, viz., low levels of production, inadequate economic development, ill-health, illiteracy and low efficiency. Nor does its protective influence extend today to the millions of workers engaged in agriculture; in indigenous handicrafts such as, the spinning and weaving of cotton in all the countries in the region,<sup>2</sup> the production of indigenous cigarettes in India, Burma and Java, the tanning of leather and manufacture of leather goods in India and China, coir manufacture in Ceylon, and *batik* work in Java; in trade; in transport; and in domestic service.<sup>3</sup> As in the field of labour legislation, so in the field of social security again, the special conditions in Asian countries would seem to necessitate an entirely new approach to the problem. Social security services of the types which are at present in force in countries such as the U. K. and the U. S. A. can be worked successfully only in economies where production is large enough to leave a surplus over

<sup>2</sup> In India alone the number of workers engaged in the handloom industry has been estimated at over 6 million. In 1930, in Indonesia, no less than 1,600,000 persons were engaged in industries but of these only about 300,000 were employed in factories.

<sup>3</sup> In India in 1931, nearly 10 million persons were engaged in domestic service, i.e., more than five times the number of workers employed in factories.



current consumption for the financing of such services, either by taxation or by regular contributions from employers and workers to social insurance funds, and where the great majority of the workers earn at least a living wage and enjoy fairly good health—conditions which are fulfilled in few of the Asian countries today. Again, as a recent I. L. O. Report on Social Security has pointed out, social security for tenant farmers, peasant proprietors and casual farm labourers—and these constitute the great bulk of the working classes of Asia—requires an entirely different approach, as ‘with few exceptions, all existing social insurance schemes have been designed with the needs of the urban, and especially industrial wage earners in mind, and the techniques they use are, for the most part, only applicable to employed persons.’<sup>4</sup>

Nevertheless, not all the countries in the South-East Asia region are today in the same stage of economic development; and the types of labour and social policies pursued hitherto have naturally been adapted to the pace of economic and social development in each country. For a review of the main trends in labour legislation it is therefore convenient to divide the countries of South-East Asia into three groups, viz., (i) India and China; (ii) Ceylon, Malaya, Indonesia and Indo-China; and (iii) Burma, Siam and the Philippine Republic. In the sections which follow an attempt is made to review briefly the main lines on which labour legislation in these countries, has hitherto developed, to examine the efficacy of such legislation in solving the fundamental problems confronting Asian labour and to indicate the lines on which further advance is urgently needed.

#### LABOUR LEGISLATION IN INDIA AND CHINA

India and China had already been settled and developed for centuries when they came under the economic influence of the West in the latter half of the nineteenth century and both had fairly well developed economic organizations, already familiar to a certain extent with a money economy and production for the market. Both had huge reserves of labour which could be drawn upon for the development of modern large-scale enterprise, fairly adequate sources of power and raw materials for the initiation of large-scale programmes of industrialization, and a nascent capitalistic class, which, if it was not willing on its own account to pioneer large-scale industries, was at least prompt to follow the lead given by foreign investors and invest its money in the setting up of modern factories and mines. In India, the first cotton-mill in Bombay was set up in 1854, and the first jute-spinning mill in Bengal in 1855; and although initially progress was slow, thanks to the spread of the ‘swadeshi’ movement in the early years of this century, the impetus given by World War I and the introduction of protective tariffs in the inter-war period, India had on the eve of World War II an impressive list of large-scale industries which included textiles, iron and steel, coal mining, paper, cement, matches, soap and sugar; and during the ‘thirties nearly 5 million wage-earners were estimated to be employed in organized industry in British India, including

<sup>4</sup> *Problems of Social Security*, Report I, Preparatory Asian Regional Conference of the International Labour Organisation, New Delhi, 1947, p. 46.

about 1.75 million workers in factories, one million workers in tea, coffee and rubber plantations, 0.7 million workers in railways and 0.35 million workers in mines. Industrial development in China was much slower, much more under the control of foreign capital and largely localized in the coastal cities, such as, Shanghai, Canton, Tientsin and Tsing-tao; still an enquiry undertaken by the Chinese Ministry of Industry and Commerce in 1930 revealed that in 29 of the principal industrial towns, there were, 1,975 factories employing more than 1.2 million workers,<sup>5</sup> and, in 1938, Mr. (now Sir) Harold Butler, the then Director of the International Labour Office, estimated the total number of factory workers in China at between 1.5 and 2 millions and the number of mine workers at about 800,000. Under these circumstances, labour legislation in India and China has followed in the main the same course as in Western countries and has been almost exclusively concerned with wage earners in factory industry, mining and transport, though, in India during recent years, there has been a marked tendency to extend the scope of protective labour legislation to wage-earners in non-power using factories, and to shop workers.

*India* :—Labour legislation in British India began with measures for the protection of the women and children and the first Indian Factories Act was passed in 1881 and the first Mines Act in 1901. During the inter-war period India's membership of the I. L. O. and the advent of provincial autonomy in 1921 provided a powerful urge in favour of progressive labour legislation, and, today workers in India's factories, railways and major mines are protected by a fairly comprehensive labour code; and, a beginning has already been made in the statutory regulation of conditions of work in commercial establishments and the smaller workshops.

Workers in India's perennial factories are entitled today to an 8 hour day and 48 hour week, double the normal rate of pay for overtime work, a weekly holiday, and an annual paid holiday, after a year's continuous employment, of ten consecutive days in the case of adults and 14 consecutive days in the case of children. Under the provisions of the Industrial Employment Standing Orders Act enacted in 1946, employers in every industrial establishment where 100 or more workers are employed are further required to frame standing orders defining the conditions of employment and get these approved by the competent authority. The Indian Mines Act of 1923 limits the hours of work in mines to 54 in the week and 10 a day above ground, 9 a day underground and the Indian Railways (Amendment) Act of 1930 grants railway workers whose work is not essentially intermittent a 60 hour week and a weekly holiday. Legislation, again, fixes the minimum age for admission to employment at 12 in the case of factories, and non-power using workshops in a number of occupations such as bidi-making and carpet-weaving; 15 in the case of mines, railways and docks; and, 18 in the case of drivers of motor vehicles. In the field of social security the

<sup>5</sup> Cited in *Labour Policy in General including the Enforcement of Labour Measures*, Report II, Preparatory Asian Regional Conference of the I. L. O., New Delhi, 1947.

Workmen's Compensation Act enacted in 1923 grants workers in factories, mines, ports and in a number of occupations listed in a schedule appended to the Act compensation according to a prescribed scale for any occupational injury or disease arising out of or in the course of their employment, and the Workmen's State Insurance Bill, 1946, now before the Dominion Legislature proposes a scheme of compulsory sickness insurance (including maternity benefit for women workers) to apply, in the first instance, to factory workers alone, but to be progressively extended to other classes of wage-earners. Women workers in factories (and, in the case of Assam in plantations as well) are now entitled to maternity benefit for a period generally extending up to eight weeks in all the major Indian provinces and states, and the Mines Maternity Benefit Act enacted by the Government of India in 1941, as amended in 1943, prohibits the employment of women in mines during the four weeks following confinement, and provides for the payment to them of maternity benefit at the rate of one-half rupee per day, for a period up to four weeks of absence before and four weeks after delivery. As regards workers in the innumerable small workshops engaged in the making of bidis, weaving of carpets etc. an attempt to regulate their conditions of work has already been made in the Central Provinces by the C. P. Unregulated Factories Act of 1937, and, the Employment of Children (Amendment) Act enacted by the Government of India in 1939 seeks to prohibit in workshops engaged in a number of such occupations the employment of children under 12 years of age. Again, in a number of provinces including Bombay and Bengal an attempt has been made during recent years to regulate the hours of work and to prescribe a minimum age for admission to employment in shops, commercial establishments, restaurants and theatres; and to grant to such shop workers a paid weekly holiday, and, in some provinces annual holidays with pay. The enforcement of such Acts has, however, been restricted, in the first instance, to a few selected urban centres and the great majority of the shop-workers in India are today still outside the scope of protective labour legislation.

Other important enactments in India's labour code relate mainly to the rights of trade unions and to the establishment of machinery for the peaceful settlement of industrial disputes. The Indian Trade Unions Act of 1926 provides for the voluntary registration of trade unions and confers on registered trade unions and their members a measure of immunity from civil suits and criminal prosecutions imposing on them at the same time certain obligations relating, *inter alia*, to the adoption of a regular constitution and the annual submission of audited accounts. The Trade Disputes Act of 1929 empowered the appropriate government, provincial or central, to refer an existing or apprehended dispute to a Court of Enquiry and to refer a dispute to a Board of Conciliation either on its own initiative or when both parties to the dispute asked for it. In addition, it declared illegal all general strikes and lock-outs, and required strikes in public utility concerns to be notified 14 days in advance. A further step in the setting up of machinery for conciliation and arbitration was taken in 1947. The Industrial Disputes Act of 1947, which has now replaced Trade Disputes Act of 1929 provides for the setting up, in all industrial

establishments employing 100 or more workmen, of Works Committees consisting of representatives of employers and workmen charged with the specific duty of removing causes of friction in the day-to-day working of the establishment. It further provides for the setting up of Industrial Tribunals to arbitrate in cases of industrial disputes and empowers the appropriate government to enforce the awards of such tribunals for a period not exceeding one year. Finally, under the provisions of the Act conciliation is compulsory in all disputes in public utility services; and, strikes and lock-outs during the pendency of conciliation and adjudication proceedings or of settlements reached in the course of conciliation proceedings or of awards of Industrial Tribunals declared binding by government are declared illegal.

*China:*—Labour Legislation in China has progressed along identical lines, though the beginnings of such legislation came much later than in India and the standards of enforcement leave much to be desired. In fact, it is no exaggeration to say that almost the entire labour code of China was enacted during the ten years preceding the outbreak of World War II in 1939; enforcement has been greatly handicapped not only as in India by the huge size of the country and the general illiteracy of the workers but also by the disturbed internal conditions, the outbreak of the Sino-Japanese hostilities during the 'thirties and the concentration of the major portion of China's industry in the coastal cities with foreign concessions such as Shanghai, where foreign-owned enterprises claiming extra-territorial privileges have refused to conform to Chinese labour laws. Nevertheless China has today a fairly elaborate labour code which is, in some respects, even more advanced than that of India.

The Chinese Factory Law of 1929, as amended and consolidated in 1932, applies to all factories in China using mechanical power and employing more than 30 persons. More comprehensive than the Indian Factories Act, it lays down for adult workers the principle of an 8 hour day with a rest pause after every five hours of consecutive work. Children under 14 years of age may not be employed in factories, and night work is prohibited for women and children. Other provisions of the law include a weekly rest day, paid annual leave based on the length of service, minimum wages fixed in accordance with the local standard of living, equal pay for equal work and compensation according to a prescribed scale for accidents incurred in the course of employment. Two special and particularly noteworthy features of China's factory legislation are the provision made in the Factory Law for the establishment of factory councils to promote collaboration between employers and workers and the series of regulations designed to promote welfare measures. The Factory Law of 1932 provides for the establishment in factories of factory councils composed of equal number of representatives of employers and workers. The main functions of these councils will be, *inter alia*, to investigate measures to promote efficiency in work; to improve the relations between employers and employees and to settle industrial disputes; to assist in the enforcement of collective and individual contracts of employment and the rules of employment, to improve safety and health conditions in the factory; to propose improvements in factories or workshops; and to make plans for the workers'

welfare. A set of Regulations for the Workers' Education promulgated in 1932 requires every factory, workshop, company or store employing from 50 to 200 workers, to establish a workers' school and an extra class for each additional 200 workers, and stipulates that the curriculum shall include vocational training. Three sets of regulations covering employees' and workers' welfare promulgated in 1943 provide for the setting up of welfare funds in public as well as privately owned factories, and mines and lay down that to finance such funds the concerns shall appropriate (a) from 1 to 5 per cent. of the total capital investment when the concern is set up; (b) 2 to 5 per cent. of the workers pay roll per month; (c) one half to one per cent. of the earnings of the workers to be deducted from their wages; (d) 5 to 10 per cent. of the annual profit; and (e) 20 to 40 per cent. of the proceeds of scrap when sold. The welfare funds are to be administered by Workers' Welfare Societies and are to be used for maintaining dining rooms, dormitory or family residences, clinics, schools for workers and their children, bath rooms, libraries and other recreation services.

The most important among the other labour laws of China are the Minimum Wage Law promulgated in 1936 by the National Government of China giving effect to Convention No. 26 of the I. L. O., the Trade Union Law of 1929 which was completely revised in 1943, the Labour Disputes Law of 1928, as revised in 1943, and the Collective Agreements Law promulgated in 1930. The Minimum Wage Law of 1936 is merely permissive legislation empowering municipal and district authorities, at their discretion, to set up minimum wage boards and fix minimum rates of wages for any or all workers in a particular industry. It however stipulates that the minimum wage fixed for an adult worker should be sufficient to ensure him a living and to admit of a sufficiently high standard of living for two members of the family who are incapable of work. The Trade Union Law as amended in 1943, not only recognizes and protects the rights of workers to form and work trade unions, but actually makes membership in the appropriate union compulsory for each wage earner. Under its provisions, however, amalgamation, separation and dissolution of unions is according to law and not according to the decisions of the general body of the union. Permission to form a union must first be secured from the competent authority and the latter has the right to wind up a union under certain conditions. Again, the law specifies that a union shall not declare a strike to enforce the claim of its members to a wage above the standard rate, and with a view to removing all hindrances to maximum production during the wartime, an amendment to the law enacted in 1943 stipulated that 'a union shall not declare a strike on any ground whatever in a time of emergency'. The Labour Disputes Law originally enacted by the National Government of China in 1928 but fully revised in 1943, provides for the setting up of conciliation and arbitration machinery for the peaceful settlement of industrial disputes and the Collective Agreements Law which came into force in 1932 empowers registered trade unions to negotiate with employers collective

\* This Trade Union Law was again amended on 13 June, 1947. The amendment provides for the workers' right to strike, with payment of wages during the strike period.

agreements defining employment relations. An interesting feature of the Collective Agreements Law is again the emphasis on State control and supervision. Thus all collective agreements have to be submitted to the competent authority for approval; and, the authority has the right to insist on a revision of the collective agreement, if, in its opinion, the agreement does not comply with existing law, or is *incompatible with the progress of the employers' business*, or the maintenance of the ordinary living standard of the workers.

THE PLANTATION ECONOMIES—CEYLON, MALAYA,  
INDONESIA AND INDO-CHINA

In this group of countries labour legislation has followed an almost entirely different course due to differences partly in the social and economic environment and partly in the nature and pace of economic development which has followed in the wake of European business enterprise. First, in almost all of them, with the possible exception of Ceylon, the indigenous population, till very recently, has been much more under the influence of medieval tradition, much less familiar with the modern cash economy, and often extremely reluctant to accept regular wage-paid employment in plantations, factories or mines. In Indonesia as in Indo-China even taxes, therefore, have had to be commuted into 'labour dues' and the governments have had to make use of 'forced labour'—the customary obligation in primitive economies to supply a certain number of days' labour per year either to cultivate the chief's land or help in the construction and upkeep of communal roads, buildings, etc.—for the construction of much needed public works. A considerable proportion of the labour legislation in these countries has, therefore, been concerned with regulating such forced labour and eliminating the more obvious abuses of the system. Secondly, unlike in India and in China, in this group of countries the pressure of population on the land available for cultivation has been much less intense and the need to accept regular wage-paid employment in modern large-scale enterprises has been much less compelling. Most of the large-scale planting and mining enterprises in Ceylon, Malaya, Sumatra (Indonesia) and Cochin China (Indo-China) have, therefore, been forced to import their labour from the neighbouring over-populated regions of India, China, Java (Indonesia) and Tonking (Indo-China). The State has intervened with labour legislation designed, on the one hand, to ensure for the planters and miners a stable labour force by compelling the immigrant worker to stay and work in the enterprise for fairly long periods under the threat of imprisonment (penal sanctions), and, on the other to secure for the worker who has contracted to work in a place far away from his home in an unfamiliar environment good conditions of work, an adequate wage and proper housing. Thirdly, in none of the countries in this region has industrialization made any significant progress and very few wage-earners are employed in factories. For instance, in the Malayan Union and Singapore in 1939 only about 53,000 workers were employed in factories as against over 351,000 workers in plantations; in Ceylon, in 1936, Indian plantation workers and their dependants numbered no less than 659,000 as against 24,000 persons employed in commercial or industrial occupation, and, in Indonesia during the 'thirties as against nearly 900,000 workers employed

in plantations only about 300,000 workers were employed in power-driven factories. Naturally, therefore, labour legislation in all these countries has been more concerned with defining and regulating conditions of work in plantations and mines than with factory employment.

*Ceylon*.—Among the countries in this group, Ceylon has in many respects the most advanced labour legislation. More and more Ceylonese are today willing to accept wage paid employment in modern large-scale enterprises, and Ceylon has made the greatest progress in the advance from a purely colonial economy dominated by large-scale plantations dependent upon contract labour recruited with the help of the coercive machinery of the State to a modern economy based upon labour voluntarily offering itself for employment. As in the case of the other colonial territories in South-East Asia, in Ceylon also much of the earlier labour legislation was concerned mainly with the immigrant labour working in its rubber and tea plantations. During recent years, however, with the rapid emergence of an indigenous wage-earning class, labour legislation has proceeded on uniform principles applicable alike to indigenous and immigrant labour and its scope has been steadily extended to cover other important categories of wage-earners besides those working in the tea and rubber estates.

The employment of Indian immigrant labour in Ceylon's plantations dates from as far back as 1837 and early labour legislation in Ceylon was naturally concerned mainly with eliminating questionable methods of recruitment which helped to keep the worker perpetually under the control of the recruiting agent and helping to secure for the worker reasonable conditions of work and wages. Penal sanctions were abolished in 1921. The long-term contract which bound the labourer to work on an estate for a specified number of years was progressively eliminated, and the Indian Immigrant Labour Ordinance of 1923 sought to give the immigrant worker real freedom of movement from one employer to another by setting up an Indian Immigration Fund to give financial assistance to all Indian workers who volunteered to work in the plantations in Ceylon without placing upon them any obligation to work for any particular employer. This Fund was to be financed by the levy of an acreage fee on all estates in Ceylon using Indian labour. The Estate Labour (Indian) Ordinance made wages the first charge on the estate and provided for their regular payment within ten days of the end of each month. The Minimum Wages (Indian Labour) Ordinance promulgated in 1927 set up a machinery for fixing and granting to Indian immigrant workers prescribed minimum rates of wages and also provided for the free issue of 1/8 of a bushel of rice to every Indian male worker above the age of 16 employed on an estate and to every resident widow having at least one dependent child or in the alternative the issue of free meals as approved by the Commissioner of Labour to each child resident on the estate. The health of the plantation workers was sought to be protected by the Diseases (Labourers) Ordinance which required the Superintendents of all estates over 10 acres in size to notify government of the prevalence of certain infectious diseases and to carry out the directions of the Government Medical Officer; and, by the Medical Wants Ordinance which *inter alia* required the Superintendent of every estate to maintain the

workers' quarters and their vicinity in a sanitary condition, to relieve the sick and to ensure proper care for women after child-birth and for children under 1 year of age. Finally in the sphere of education a statutory obligation was imposed upon the Superintendent of every estate to make the necessary provision for the education of the labourers' children, to appoint competent teachers and to provide the necessary schoolroom. Ordinance No. 31 of 1939 deals with education in Ceylon and Part VI of the Ordinance specially relates to estates on which the children between the ages of 6 and 10 of the labourers residing thereon exceed 25 in number.

Constitutional reforms inaugurated in 1931 gave Ceylon a considerable measure of self-government and in the years following 1931 a number of labour laws of a more general nature have been introduced in Ceylon to give effect to as many as 16 Conventions sponsored by the I. L. O. The Employment of Women and Young Persons Ordinance of 1923 sought to give effect to Conventions 4, 5, 6 and 7 of the I. L. O. and as at present amended provides that no child under the age of 14 may be employed in any industrial undertaking or shop except with a member of the same family. It further prohibits the employment at night in industrial undertakings of women and of young persons under the age of 18. Part IV of the Children and Young Persons Ordinance promulgated in 1939 goes a step further and imposes a general ban on the employment of children below 12 and prohibits night work for children under 14. The employment of women in manual labour underground is prohibited by law and the Maternity Benefits Ordinance of 1939 which applies to women employed in shops, estates, mines or factories in which 10 or more persons are employed prohibits the employment of a woman worker during the four weeks following confinement and provides for the grant to such a worker of maternity benefit at the rate of one rupee a day for a period of six weeks—the two weeks preceding and the four following confinement. The Workmen's Compensation Ordinance placed in the Statute Book in 1934 is closely modelled on the Indian Workmen's Compensation Act and provides for the payment to workers in a number of specified occupations of compensation for death, injury or disease arising in the course of the employment. In 1938 statutory protection of conditions of work was extended to cover shop workers; and the Shops Regulation Ordinance of 1938 as amended in 1940 prescribes for shop assistants an 8 hour day, a 45 hour week and rest periods after 4 hours' of continuous employment. It further grants to shop workers an annual holiday of 7 consecutive days with full pay and a right to take 14 days' leave at full wages for reasons of private business, ill health etc. Finally in most of Ceylon's important industries including the tea, rubber, coconut, printing and plumbago trades, wages, hours and other conditions of work are today regulated by Wages Boards set up under the provisions of the Wages Boards Ordinance of 1941 as amended in 1943 and again in 1945. These boards generally consist of the Commissioner of Labour and members representing the employers and workers in the industry in equal proportions and have fixed for the various trades a daily basic minimum wage rate, a special allowance varying with changes in the cost of living index, overtime rates, a maximum



working week which varies from 45½ hours in the engineering trades to 56 hours in the plumbago trade, a weekly holiday and annual holidays with pay varying from 10 to 14 days subject to a minimum qualifying period ranging from 180 days to 232 days. Symptomatic of the generally advanced outlook which has characterized much of the recent social legislation in Ceylon is the fact that the Ceylon Commission on Social Services which reported in February 1947 has recommended the introduction in the Island of a social insurance scheme for all employed persons aged 16 to 60 covering the risks of sickness, maternity and unemployment coupled with a non-contributory social assistance scheme extending to the whole population and providing old-age pensions 70 years (65 in the case of women) orphans' pensions and pensions for the blind aged 45 or over, as well as children's allowances in respect of each child of school age (5--14 years) after the second child.

In the field of industrial relations, however, Ceylon has made much less progress. The right of workers to set up trade unions to promote collective bargaining was legally recognized only in 1935 but the development of a strong trade union movement, especially among the workers on the estates, has been considerably handicapped, among other reasons, by the general refusal of the employers to negotiate even with registered trade unions, the ban often imposed by them on the entry into their estates of trade union leaders and regulations restricting the holding of public meetings in planting areas. The Industrial Disputes Conciliation Ordinance passed in 1931 empowers government to refer industrial disputes to conciliation boards but in practice little use has been made of this machinery, and the planters have only recently withdrawn from a seven point agreement drawn up under the aegis of the Minister of Labour in 1940 after a series of conferences with the planting interests, whereby the planters had agreed to recognize the right of their employers to combine and further to negotiate with registered trade unions.

*Malaya:*—Malaya during the inter-war period was among the most prosperous countries in South-East Asia and much of this prosperity was based on the twin pillars of rubber and tin. But the rubber estates of Malaya were worked almost entirely by immigrant labour from India and the tin mines by Chinese. Unlike in Ceylon, in Malaya the indigenous population is still unwilling to accept wage paid employment in estates, mines or factories and Malaya's main labour problems are those of migrant labour force—problems relating to the recruitment, transport, repatriation, housing, health and education of a labour force not indigenous to the soil. Indeed the pressure for enacting the greater of Malaya's present labour code has come from the Government of India which has increasingly insisted on decent conditions of work and living for the Indian labour in Malaya.

As in all the countries with large-scale plantations, in Malaya also in the initial stages, the common practice for planters was to import labour from India and China under indenture to work for three years at a wage agreed upon at the time when the labourer was engaged. The resultant exploitation of an ignorant, illiterate and helpless labour force working far away from its home by professional recruiters and planters led step by step to control by the State

of recruitment, the terms of the labour contract and the conditions of work in the estates and mines. Following a series of anti-foreign riots in the South-China ports against what was expressively termed the 'pig business' carried on by recruiting agents, a Protector of Chinese was appointed in the Straits Settlements in 1872 and steps were taken to license coolie depots and stop the kidnapping of labourers for work in the up-country states in Malaya. In 1901 a system of licensing *Kanganis* or recruiting agents was introduced to check the malpractices indulged in by the *Kanganies* in recruiting labour for the estates in Malaya and an Ordinance promulgated in 1907 set up an Indian Immigration Committee with power to levy an assessment on all employers of Indian labour in Malaya and to use the funds so raised to defray all costs connected with the recruitment of Indian labour. The fund helped the Indian immigrant to land in Malaya as a free agent under no obligation to work for any particular employer and the long term contracts with penal sanctions were abolished with regard to Indian labour in 1910 and with regard to Chinese labour in 1914. All the early ordinances relating to alien Asiatic labour were consolidated in the Federated Malay states by the Labour Code of 1912 and in the Straits Settlements by the Labour Ordinance of 1920 and the code was completely revised both in the Federated Malay States and in the Straits Settlements in 1923 as a result of negotiations with the Indian Government.

Conditions of work in Malaya today are regulated largely by the Malayan Labour Code of 1923 as amended by subsequent enactments and the workmen's compensation legislation which came into effect in the early 1930's. Labour agreements may not exceed one month, except in the mining industry when they may extend upto six months, and either party may terminate the agreement on giving one month's notice or on the payment of one month's wages. No worker may be required to work more than 9 hours a day or more than 6 days a week and overtime has to be paid for at double the normal rate. No child under the age of 12 may be employed in industry and no Indian immigrant under 10 years in any kind of labour. Women workers are entitled under the Code to maternity leave for one month before and one month after confinement and to maternity benefit according to a prescribed scale; and an amendment to the Code in 1932 prohibits night work between 10 p.m. and 5 a.m. for young persons under 18 and for women workers of all ages. Other provisions of the code relate to the housing, health and education of estate labour. Housing has to be provided to estate labour according to a standard design and adequate anti-malarial measures are obligatory. The estates are also responsible for providing medical attention and hospital facilities according to a prescribed scale and every estate with 10 or more children between the ages of 7 and 14 has to provide a school for such children. Finally workers employed in Malaya's larger plantations and factories (i.e. those employing more than 25 persons) and earning not more than 200 Straits dollars per month are entitled to workmen's compensation according to a prescribed scale for occupational injury or disease.

As in Ceylon in Malaya also trade unionism is extremely weak and organized labour activity became noticeable only in the late 1930's. The planting and

mining interests however were loath either to recognize and deal with trade unions or to accept statutory provision for the investigation and settlement of industrial disputes, and an Industrial Courts Bill, a Trade Unions Bill and a Trade Disputes Bill, all drafted by the Government in 1938 were still awaiting enactment in 1940. During 1940 and 1941, however, a wave of strikes swept over Malaya and in June 1941 the Trade Unions and Industrial Courts Bills were at long last enforced, more perhaps as a means of controlling labour than of fostering its evolution. Before practical effect could be given to these enactments, however, the Japanese had overrun Malaya.

## INDIANS OVERSEAS

### A SURVEY OF DEVELOPMENTS IN 1947<sup>1</sup>

By C. KONDAPI

THE year under review had confronted Indian nationals abroad with many a formidable obstacle—the new Immigration (Emergency Provisions) Act 1947, the *Karagoli* incident and an offensive against their governmental services in Burma; reactionary federation proposals, labour disturbances and shootings, judicial decision nullifying the fundamental rights of labour and Titles to Land (Occupation Period) Ordinance 1947 and Debtor and Creditor (Occupation Period) Ordinance 1947 in Malaya; inadequate representation under the new Constitution in Ceylon; organized European boycott, nullification of the municipal franchise proposals, unsatisfactory educational facilities and technical Indian failure in the U.N.O. in regard to South Africa; revised reactionary Immigration Bills and proposals for inter-territorial organization in East Africa; new Immigration Ordinance in Fiji and unfair proposals for closer association of the British West Indies. The year had at the same time witnessed a few significant successes and developments—the visits to India of the Prime Ministers of Burma and Ceylon for exploratory talks to achieve a friendly understanding on questions of mutual interest; the organization of a democratic united front against the federation proposals in Malaya, with active participation of Indians therein; the Indian moral triumph in the U.N.O. on the South African Indian question; the electoral reforms in Mauritius; a fairly satisfactory arrangement for remittances by Indians in Indo-China and the appointment of a Consulate-General in Indonesia and finally the grant of municipal, provincial and federal franchise in Canada.

#### BURMA

The Burma Immigration (Emergency Provisions) Act passed in June 1947 imposed certain restrictions on the re-entry of evacuees and the departure and return of Indians now in Burma into that country; the restrictive provisions included an insistence of fresh entry permits to be issued by the Immigration Officer at Rangoon, even though they possessed Sponsoring Certificates issued by the Indian Government, or Departure Certificates issued by the Representative of the Government of India in Burma or Landing Permits issued

<sup>1</sup> See for the position on 31 December, 1946 *India Quarterly* Vol. III, No. 1, pp. 54-65.

by the Protectors at Ports. This placed all Indians, including the large number of evacuees having a permanent stake in Burma and her potential citizens, in the category of foreigners who could not enter Burma without a permit. Under Section 13 of the Act, the Captain of any ship or plane who brings or attempts to bring any person not authorized to enter Burma will be liable to imprisonment for three months or a fine of Rs. 100 for every such person brought or attempted to be brought. Consequently the Indian Government instructed persons wishing to proceed to Burma and possessing Sponsoring Certificates or Departure Certificates or Landing Permits referred to above, to apply for the necessary entry permits to the Controller of Immigration, Rangoon. The Government of Burma also instructed her immigration officers at Indian ports to permit entry into Burma of persons possessing these documents. It was however added that these documents would be taken only as evidence and not as conclusive proof of their right to stay in Burma, and persons in possession of them would be granted permits only for a two months' stay therein. It was announced from Rangoon on 10 July that the Burma Government had 'tightened up' control of immigration into Burma and that permits enabling Indians leaving Burma to return to that country were being issued under two heads: one covering Indians of lengthy Burma residence who were being allowed a period of one year in which to return to this country, and the other covering casual labourers and similar people who were given four months to return to Burma. It was emphasized that in no case could any extension be granted to those overstaying the time limit and they would have to take a chance along with fresh immigrants. On 4 September it was officially announced in Rangoon that permits for re-entry into Burma after temporary absence therefrom, were being issued by the Controller of Immigration 'only to persons permanently resident and having connections and interests in Burma'. In order to be able to secure these permits, they were required to produce an affidavit sworn before a Magistrate stating therein the length of the period of residence and connexions and interests in Burma such as landed property, business interests and service. The time limit of 31 October, 1947 up to which only holders of Departure and Residence Certificates issued in Burma for expatriates could apply for return to that country, had been extended up to 15 January, 1948; but holders were required to be present in person at the office of the Burmese Deputy Controller of Emigration in Calcutta to obtain the necessary endorsement. They would be allowed to land in Burma within a period of three months from the date of issue of the permits.

The *Karagola* incident demonstrated the Draconian application of the drastic provisions of the Act. *S. S. Karagola* which set out from Bombay with a party of 33 Indians came straight to Rangoon and sought permission to land the Indian passengers. As there was no Burmese official at Bombay, the repatriates, contrary to the Burmese Government's orders, failed to have their identity papers counter-signed by a Burmese official in India prior to their return. On this ground the Burma Government refused the permission to land, holding that the party of Indians could easily have fulfilled repatriation

requirements by securing such counter-signature from the Burmese official at Calcutta and that their default in not doing so constituted a deliberate 'flouting of Burma's Sovereignty'. The party was sent back to Calcutta for getting the identity papers counter-signed. Even humanitarian considerations were thrown overboard on the ground of a purely technical non-compliance with the regulations.

In response to the Indian Government's representations from February 1947, the Burma Government expressed her willingness to explore ways for a solution of the Indian immigration problem. Nevertheless the Indian Government received no reply to her detailed representations on the new emergency Immigration Bill, nor an indication of the imminent nature of the enactment of the Act. The Representative of the Government of India in Burma received a copy of the revised final Bill on 11 June, 1947 only after it had received the Governor's assent. The Burma Government rejected the Indian protest against the Act. There was no necessity for hole and corner methods adopted in passing this Act in view of the very generous attitude of the Indian Government in this matter. In order to assist the Burma Government, the Indian Government have themselves imposed restrictions on the entry of Indians into Burma notwithstanding the provisions of the Government of Burma Act which provided for no imposition of statutory restrictions on the entry of Indians into Burma, and the smooth working of this administrative arrangement during the last eighteen months. The Burmese Labour Minister's argument that immigration from India had swollen to such an extent that urgent action had to be taken does not hold water. For while 108,000 Indians had returned to Burma since the restoration of civil government there, 112,000 Indians had come back from Burma during the same period, thus registering a net outflow of Indians from Burma. As regards the Labour Minister's affirmation regarding Indian immigration *via* the Indo-Burma frontier, exodus by this harassing route of jungles could not have been on a considerable scale.

The procedure laid down to apply for entry permits would, besides being humiliating, entail great hardship and delay and make it almost impossible for thousands of Indians, especially those having no offices in Rangoon, to re-enter Burma. This is obvious from the fact that the total Indian immigration of 14,306 during June had dropped by 7,735 to 6,631 during July due to the new restrictions. If, as urged by Indians, the Burma Government could not give up their insistence on fresh entry permits and allow the old procedure to continue in regard to Indian re-entry, they should amend the Act in regard to the entry permits so as to exempt the evacuees who were forced to seek asylum in India by the vicissitudes of war in view of the fact that the Burmese Labour Minister had affirmed that it was not his Government's wish to prevent the return of *bona fide* evacuees. Also, while the Burma Government need not encourage Indians to go to Burma for setting up new business, the existing business firms should be permitted to send new persons as 'replacements' on issue of permits to them by the Burmese Immigration Officer at Madras on the recommendation of the Protector of Immigrants there after satisfying himself that no new persons were going. Any possibility

of sudden disruption of the whole basis on which the Indians had built up their careers in Burma should be given up in favour of giving them a chance to lead a life of self-respect in their adopted country. Burma, which was part of India till 1937, could not be regarded as Tom Tiddler's Ground.

It is not in the interest of Indo-Burmese friendship that Burma should put the Immigration Act on the Statute Book while Indo-Burma discussions to find a solution were still under way. In view of the special nature of Burma's constitutional relationship in the past with India and the necessity for close relations between the two in future, any legislation enacted by the Burma Government in regard to Indian immigration should be based on a bilateral agreement between the two countries to prove useful and successful and there should be no legislation in advance of such an agreement. The U Saw-Bajpai Agreement and the Tin Tut-Banerjee Agreement recognized the necessity of the above principle and constituted an earnest effort to arrive at such a bilateral agreement.

While Indians are extremely happy about the attainment of Independence by Burma, their joy is tempered by concern that along with Independence a trend of discrimination against them might also set in. The late Gen. Aung San declared last spring that 'self-determination for minorities would be assured in part through their inclusion in the Chamber of Nationalities provided for in the Constitution.' Yet not one of the 125 seats in this Chamber has been assigned to Indians or Chinese. In a Press Conference on 5 July, 1947 at Rangoon, U Tin Tut, now Burma's Foreign Minister, had, commenting on the status of Indians in Burma most of whom, he said, were now Burmese nationals, stated that the Burma Constituent Assembly would constitutionally define who was a Burmese national and that this definition would cover the majority of Indians. 'They will have exactly the same rights as the Burmese and their leaders have honoured us by saying that they do not wish to seek any special protection,'<sup>2</sup> he added. And yet how have the Burmese leaders reciprocated the honour? The new Constitution distinguishes for purposes of citizenship between those of indigenous and non-indigenous origin. Any person both of whose parents belong to indigenous races or who was born in Burma with at least one grand-parent belonging to the indigenous race is automatically considered a Burmese citizen. But a person of purely Indian or Chinese ancestry who was born in Burma must have lived there eight of the last ten years or of ten years immediately preceding 1 January, 1942, should agree to reside there permanently and specifically adopt Burmese citizenship. The equality in disability with the Chinese does not detract from the injustice meted out to Indians. While no exception could be taken to the generous provisions incorporated in the new Constitution to protect the interests of the less advanced indigenous minorities like the Kachins, the Shans and the Karens, some constitutional provision should have been made to safeguard the Indian interests. If equality had been extended to Indians in services and business, they would not have taken exception to the discrimination made in regard to

<sup>2</sup> *The Hindu*, 7 July, 1947.

the qualifications stipulated for citizenship. But on the other hand, the Burma Government had expressed its intention of reducing the number of governmental positions in the hands of non-nationals. Nearly 4,000 Indians hold over half of these positions and they have been informed that unless they become Burmese citizens and learn Burmese, their jobs might be forfeited. The Burma Government is negotiating with the Indian and Pakistan Governments to see they are absorbed by them. The Indian Government is engaged in collecting information about the number and categories of jobs involved so as to be able to draw up a definite plan for their employment in India. The Indian position in relation to business is no less unfavourable. The current Burmese policy to give fifty per cent. of the import licences to Burmese firms, whereas before the war they handled less than ten per cent. has been one of the factors delaying the return of Indians to Burma. Of about 5 lakhs of Indians who left Burma during the war, a lakh died *en route* of starvation and disease. In 1945, about  $3\frac{1}{2}$  lakhs indicated intention of returning to Burma but the Indian Government banned the return of unskilled labourers. Of the remaining nearly  $2\frac{1}{2}$  lakhs, about  $1\frac{1}{2}$  lakhs only had returned to Burma. Thus of the 5 lakhs who came to India only  $1\frac{1}{2}$  lakhs returned to Burma. Viewed in this context, the drastic measures of the Burma Government against Indians, proves their superfluous character and the possible danger to Indo-Burman relations and intra-Asian friendship.

Mr. Thakin Nu, the Prime Minister and U Tin Tut, the Foreign Minister of Burma arrived in Delhi on 1 December, 1947 to exchange views with Pandit Nehru regarding the settlement of certain questions outstanding between India and Burma. These preliminary talks of exploratory character ended on 4 December. Final and detailed talks will take place in the near future for achieving a friendly adjustment of these questions.

#### MALAYA

On 22 December, 1946, two days before the announcement of the constitutional proposals for a Malayan Federation, the All-Malayan Council of Joint Action (A. M. C. J. A.) was formed at Kuala Lumpur, at the instance of the Malay Nationalist party which had always advocated united and democratic Malaya. Mr. J. A. Thivy, the then President of the Malayan Indian Congress, took a leading part in its formation. The A. M. C. J. A. comprised of the various political parties, trade unions, youth organizations and women's associations and members of all races and classes on the basis of the following six principles: (i) A united Malaya; (ii) a fully elected central legislature for the whole of Malaya; (iii) equal political rights for all who regard Malaya as their real home and as the object of their loyalty; (iv) assumption by the Malayan Sultans of the position of fully sovereign and constitutional rulers, accepting the advice not of British 'Advisers' but of the people through democratic institutions; (v) sole control of the Malays on matters of Muslim religion and Malay custom and (vi) special attention to the advancement of the Malays. The main organizations of the A. M. C. J. A. were the Malayan Indian Congress,

the Malayan Democratic Union, the Malayan New Democratic Youth League, the Malayan Peoples Anti-Japanese Ex-Service Comrades' Association, the 300,000 strong pan-Malayan Federation of Trade Unions and the 12 Women's Federations in Malaya. The total membership of the associations affiliated to the A. M. C. J. A. is nearly 400,000. The third principle was the one enunciated by the Secretary of State for the Colonies and the A. M. C. J. A. considered it of cardinal importance in any new Constitution for the people of Malaya. For two months after the announcement of the reactionary Federation proposals, the Malay Nationalist Party assisted by the most powerful of the Malayan youth organizations, the *Angkatan Pemuda Insaf*, carried on a country-wide campaign against the proposals. The campaign culminated in the founding on 22 February, 1947 of the *Pusat Tenaga Ra'ayat* (Peoples' United Front) or *Putera* consisting of the Malay Nationalist Party, the *Angkatan Pemuda Insaf*, the Peasants' Union, the *Angkatan Wanita Sedar* (Awakened Women's Union) and 80 other smaller associations. The total membership of the *Putera* is approximately 100,000. The *Putera* was based on ten principles, the first six being identical with those of the A. M. C. J. A. while the remaining four were; (i) that Malaya should be the official language of the country; (ii) that Defence and Foreign Affairs of the country should be the joint responsibility of the Malayan Government and H. M. G.; (iii) that the term Malayan should be the title of citizenship of national status in Malaya and (iv) that the national flag of the country should incorporate the Malay national colours. Together, the A. M. C. J. A. and the *Putera* have a total membership of nearly half a million and include all the Malaya-wide political bodies with the exception of the reactionary united Malays National Organization (U. M. N. O.), and the Malaya Communist Party which, though not a member of either A. M. C. J. A. or the *Putera*, had declared its support of their principles.

The Federation proposals perpetuate Malaya's colonial plight with all the legislative and executive power concentrated in the hands of H. M. G. through the High Commissioner and the Secretary of State for the Colonies; by proposing a dangerous type of citizenship, they prevent the stable development of national unity and democracy in Malaya. The mass demonstrations and protest organized by the A. M. C. J. A. and the *Putera* against these proposals demonstrated the united political action on the part of all races and classes of people including Indians.

The Secretary of State for the Colonies, H. E. the Governor-General and H. E. the Governor of Malaya gave frequent assurances that no final decision would be taken on the proposals until all sections of the people had been fully consulted. The Working Committee which secretly reconsidered the Malaya Union scheme from the standpoint of the discontented Sultans and made the Federation proposals, interpreted these assurances in paragraph 27 of their report as that 'before final conclusions are reached there will be consultations with representatives of those and only ... those who regard Malaya as their real home and as the object of their loyalty.' Comically enough, in order to implement these assurances, a Consultative Committee was set up with



the Director of Education Mr. H. R. Cheeseman, as Chairman and with those who simply can not claim to represent those who regarded Malaya as their real home and as the object of their loyalty as members. The terms of reference of this Committee curiously limited its functions to that of an agency for collecting the views of 'interested individuals, communities and groups in Malaya on the constitutional proposals which have been published as a result of consultations between the Government and Malaya representatives'<sup>3</sup>. The peculiar methods adopted by this Committee only encouraged the presentation of the views of individuals and groups who represented mostly communal or sectional interests. As a protest against the denial of 'full and free consultations' originally promised, the A. M. C. J. A. and the *Putera* decided not to submit their views to the Committee, with the result that the proceedings of the Committee proved an elaborate farce.

In the direction of a constructive endeavour, these two organizations appointed in April 1947 a committee to draw up their constitutional proposals. After long discussions and references to the numerous affiliated associations, they drew up the following principles which in essence represent the terms on which the indigenous Malays would accept the immigrant Indians and Chinese as fellow citizens: a federation of Malaya, a strong central federal government and a citizenship of Malaya. These constituted the three chief principles. These proposals received unanimous acceptance at two full conferences called on 4 July and 10 August, 1947.

The H. M. G. incorporated all the proposals of the Working Committee except for a few minor provisions in her White Paper entitled *Summary of Revised Constitutional proposals adopted by His Majesty's Government*. While these proposals constitute the final decision on the part of H. M. G., the people of Malaya as represented by the A. M. C. J. A. and the *Putera* have equally made their determination clear to oppose them which have been imposed by undemocratic decision till they are substituted by such proposals as would meet the approval of the Malayan people. On 20 October a nation-wide *hartal* was observed to protest against the new Constitution. It proved a remarkable demonstration of mass protest and the Governor Sir Edward Gent criticized the new method as 'a new and undesirable immigrant'.

The Revised proposals include a definition of the official responsibilities of the High Commissioner including the safeguarding of the special position of the Malays and of the interests of the other communities. The proposed Federal Legislative Council will have a slight preponderance of Malays over non-Malays. In addition to the official members, the Council will consist of the nine Presidents of the Councils in Malay states, one representative of the Settlement Council in each Settlement and 50 non-official members representing various interests, groups and activities. 'Politically the new draft is no more advanced than the Minto-Morley reforms, so dislike of it is understandable.'<sup>4</sup> The proposed qualifications for Malayan citizenship are too

<sup>3</sup> See *Report of the Constitutional Committee*, para 2, p. 7.

<sup>4</sup> *The Statesman*, 25 October, 1947.

rigid and deprive most of Malayan Chinese of the vote. All those Asians who consider Malaya as their only home and have been continuously in Malaya during the last ten years will be given citizenship rights. The left-wing parties want a relaxation of the qualifications for citizenship, immediate self-government without any special powers being reserved for the Governor, and control of Defence and Foreign Affairs. The Malayan Indian Congress has joined hands with the progressive forces and wants that a Constituent Assembly based on adult franchise of citizens who would make Malaya their home, should draw up a Constitution for the whole of Malaya. On 18 November, Prime Minister Nehru announced in the Dominion Parliament that the Indian Government had made suitable representations to H.M.G. on the constitutional proposals with a view to secure Indian representation on the Federal Executive Council and to facilitate their admission to the Malayan citizenship.

During February-April, 1947, there were labour disturbances and shootings in the state of Kedah. They are popularly known as (i) the Bedong incident, (ii) the Bukit Sembilan Estate incident and (iii) the Dublin Estate incident. The Bedong incident took place on 28 February in the township of Bedong when a picketing party of women, boys and girls was dissuading its menfolk from entering a toddy shop. Twelve workers were arrested and sentenced for 3 months rigorous imprisonment on 2 March after a hustled trial. One worker who was brutally beaten by the police died in hospital. The Bukit Sembilan incident occurred on 3 March when a strong police force cordoned off the ten labour tenements in the estate and charged men and women and arrested 66 of them on their inability to produce a particular person who had left the estate four days earlier and whom the police itself could not find on the estate after two thorough searches. The Dublin Estate incident happened in connection with a meeting on 28 April to discuss the celebration of May Day.

The request of the Indian Agent-General Mr. Chettur for official inquiry was ignored. Consequently the Malay Nationalist Party, Pan Malayan Federation of Trade Unions, All-Malayan Rubber Workers Council, Malayan Democratic Union, Malayan Communist Party and Malayan Indian Congress together set up a Board of Inquiry into these incidents under the chairmanship of Mr. J.A. Thivy. Subsequently the Government also nominated a Commission to inquire into the Dublin Estate incident. After a very careful and comprehensive investigation, the Thivy Board of Inquiry came to a unanimous conclusion, that though the three incidents occurred in three different localities, separated by great distances, yet there was a degree of co-operation that amounted to collusion between the vested interests on the one hand and the police and executive of the government on the other for suppressing the fundamental rights of labour in Malaya. Public confidence in the police has been rudely shaken by these incidents.

Yet another development which worsened this confidence in the government was a recent decision of Sir Harold William, the Chief Justice of the Malayan Union, in an important appeal from Labour. In July, tappers in several estates struck work for three days to register their protest against a 20 per cent.

cut in the contract rates effected on the ground of low prices of rubber then prevailing. One estate owner refused to re-employ four tappers who then appealed for redress to the Deputy Commissioner of Labour. The latter held that the estate owner had dismissed the tappers and should pay one month's wages in lieu of notice. On appeal from the estate owner, the Chief Justice reversed the decision of the Deputy Commissioner, and held that the workers were not, as found by the Deputy Commissioner, dismissed. Since they had absented themselves from work without reasonable excuse, they had broken their agreements with the employer and therefore the latter need not re-employ the workers who had struck work for three days after full notice. After this decision, it is feared, that any employer could refuse to re-engage a worker after the strike even though the strike might be legal and consequently the decision might nullify even the limited recognition of the rights of labour secured after a strenuous struggle.

Two Draft Ordinances - Titles to land (Occupation Period) Ordinance 1947 and Debtor and Creditor (Occupation Period) Ordinance 1947 - have been published by the Malayan Government during the last quarter of the year under review. The object of the first Ordinance was, it was stated in the preamble, to enact a comprehensive measure which would lay down the principles upon which all land transactions during the occupation period could be settled and would enable the Registrar to rectify the register in all cases where dealings had taken place which were not in accordance with preoccupation law or accepted principles. The second Ordinance lays down principles for deciding which payments made during the occupation period are to be considered final and which would be revalued in accordance with the scheme of this Ordinance. Section 3 of the first Ordinance says: 'save as otherwise provided in this Ordinance, no registered dealing effected during the occupation period shall be invalid merely by reason of its having been effected during that period, if the instrument by which such dealing was effected was executed by the person entitled by preoccupation law to execute it or by his agent and if its registration was in accordance with the preoccupation law governing the registration of such instruments as modified by the provisions of this Ordinance'.

The Indian Chettiers had advanced loans to Malays in British currency in the course of their banking and other monetary transactions before the Japanese occupation. The Malay debtors repaid the debts to their agents, who had been cut off from any intercourse with their Chettiar employers during the occupation period, in badly inflated Japanese currency and got back their titles to land and other property. Consequently, the Chettiers have suffered to an extent of Rs. 10 crores and they contend that the dealings effected during the occupation period should, as envisaged in the two Ordinances, not be validated. As a result of representations by the Indian Government, the Ordinances are held in abeyance. It is hoped that the Malayan Government would so modify their provisions as to safeguard the Chettiers' interests to a reasonable extent.

The Government of India announced on 14 July, 1947 the appointment of Mr. J. A. Thivy as their Representative in Malaya. The appointment received

unanimous and enthusiastic approval of the Indian community. A Malaya-born Indian, Mr. Thivy, was the President of the Malayan Indian Congress till his appointment and has been a most respected Indian leader.

#### CEYLON

The most important development in Ceylon relates to the position of Indians under the new constitution. On 4 July, the State Council under the Donoughmore Constitution was dissolved after 11 years of life. Elections took place under the new Soulbury Constitution from 23 August to 20 September, 1947. The United National Party of the Sinhalese Ministers emerged as the largest single party in the House with 42 out of 101 seats. The Senanayake Ministry under the new 'Near Dominion Status' Constitution was sworn in on 26 September. No Indian has been included in the new Cabinet.

On 9 March, 1945, the Ceylon Indian Congress submitted a memorandum to the Soulbury Commission urging that, as Indians constituted nearly 16 per cent. of the total population of the Island, the constituencies should be so delimited as to ensure the return of 15 Indians to the lower House. Accordingly the Commission expressed the hope in their report that through such delimitation Indians would be facilitated to return in proportion to their population, i.e., 14 Indian representatives to the proposed lower chamber of 101 members. Submitting their case on 1 July, 1946 to the Delimitation Commission, Indians accordingly pleaded for multi-member constituencies to return at least 12 Indians to the new House of Representatives as hoped by the Soulbury Commission. Reference may here be made to the doubt expressed by us at that time that 'the achievement of this hope will depend on how the Delimitation Commission will do its work and the way in which its ideas will be put into effect'.<sup>5</sup> Exactly as apprehended, the Commission's delimitation proposals made it impossible for more than 7 Indians to be returned from the 89 electoral districts that had been delimited. Accordingly in the recent elections 7 Indians were elected from Badulla, Alutnuwara, Talawakelle, Maskeliya, Nuwaraeliya, Nawalapitiya and Kotagala.

With a view to settle the outstanding questions between India and Ceylon, particularly relating to the Indian citizenship rights and Indian immigration besides matters relating to trade and defence, the Ceylonese Prime Minister Mr. Senanayake arrived in Delhi and held with Prime Minister Nehru preliminary discussions from 28 to 31 December, 1947. It is earnestly hoped that as a result of these talks between the two Prime Ministers under conditions of political freedom and popular support in both the countries without the intervention of a third party, a satisfactory understanding will be reached between them on the status of Indian nationals in Ceylon.

#### SOUTH AFRICA

The decision of the General Assembly of the United Nations on 8 December, 1946 vindicating the stand of the Indians in South Africa led to a deteriora-

<sup>5</sup> See *India Quarterly*, Vol. II, No. 1 (January 1946) p. 53.

tion in the Indian plight. Chagrin at the Indian triumph resulted in the organization of a boycott movement against Indians. The Transvaal Agricultural Union initiated it with a total boycott of Indian traders; overhaul of the marketing and distribution of vegetables and fruits to eliminate the Indian hawker; and reintroduction of the registration of consumers as envisaged under rationing to facilitate the campaign against Indians. The European firms have refused to employ Indians and the European financial houses have stopped lending money to Indians and this has increased Indian unemployment. Municipalities joined the fray by dismissing Indians and engaging Europeans. The boycott movement has spread from the Transvaal to Natal and other parts, and though the movement is unofficial in character, it has been receiving active support of the members of both the parties in the Union Parliament. Thus, what began as a counter-boycott of Indians, has assumed the proportions and character of a full-fledged political movement to compel Indians to repatriate to India.

Meanwhile the Indian Passive Resistance movement against the Asiatic Land Tenure and Indian Representation Act has continued. On 13 July, the Union Government prosecuted Indians who occupied properties in Heidelberg, Klerksdorp, Johannesburg and other centres for occupying properties in areas prohibited under the Act. Since the passing of the General Assembly resolution up to 1 August, 1947, 204 persons courted imprisonment, making a total of 1792 after the movement began, including about 302 women and 8 Europeans of whom 4 were women. On 19 September, seven Indians were arrested and on 13 October, 39 Indians were sentenced on charges of trespassing into non-scheduled land in Durban. The movement was intensified during the General Assembly session in the last quarter of 1947. In the meantime, the South African authorities were administering the Act in such a manner as to segregate and economically strangle Indians just as Indians had apprehended. The local authorities took full advantage of the Indian opposition to the Act by getting large areas excised from the scheduled areas for Indians and transferred to those reserved for Europeans. The high-handed behaviour of the local authorities was also evidenced by the proposals in August of the Durban City Council Estate Manager to convert agricultural land in the Springfield area of Indians into a golf course and race track. On 26 August, addressing the annual Congress of the Orange Free State Agricultural Union at Bloemfontein, F. M. Smuts declared that Indians would not be allowed to settle in the Orange Free State.

Even the grudging proposals mooted by the Administrator of Natal early in 1947 for municipal franchise for Indians were allowed to be defeated by the implacable racial prejudices of the Whites. The subsequent proposals proved so segregatory and discriminatory in character that Indians were compelled to reject them in the interests of their national self-respect.

The proposals for better educational facilities received more or less similar fate. Since the war, the number of Indian children in secondary schools has doubled, with the result that in the Union only 1 in every 560 Indians is receiving higher education. On 1 August the Natal Indian Congress submitted

a memorandum to the Administrator of Natal urging a five-year programme of education for about 25,000 Indian children in Natal not attending schools and for free education for Indian children upto sixth standard. It also urged the recognition of the principle of equal treatment and pay as between Indian and European teachers. About 80 per cent. of the Indian children who enter a school never reach the level of fourth standard and so the memorandum urged that education to Indian children upto 16 years should be made compulsory. As only 26 of the 157 Indian schools in Natal are Government schools, the Government was requested to recognize its responsibility for providing further accommodation. The Government building grants for Indian schools should be increased from one-third to three-fourths or four-fifths of the total cost. Nothing however came out of this approach.

The South African Government adopted no measures to implement the General Assembly resolution to see that the treatment of Indians in the Union would conform to international obligations under the agreements concluded between the Governments of India and South Africa and the relevant provisions of the U. N. O. Charter. After waiting for nearly six months, Prime Minister Nehru wrote to F. M. Smuts drawing the latter's attention to the U. N. resolution and requesting him to accept the terms of this resolution as a basis of discussion with Indian delegates with a view to iron out the Indo-South African dispute. In a letter dated 28 July Smuts replied stating that South Africa could not accept the U. N. resolution as a basis of discussion as that would amount to an admission that she had broken her agreements with India and violated the principles of the Charter. Referring to the alleged vagueness and generality of the Indian charges, he affirmed that South Africa was not guilty of any such breach of agreements implied in the resolution. Stating that Indo-South African relations had deteriorated since the recall of the Indian High Commissioner from the Union, he suggested that the latter might be sent back to South Africa. Nehru replied that the Indian Government would prefer a Round Table Conference of representatives of both the governments and assured that the absence of the High Commissioner 'will in no way hinder or prejudice their effective participation in the joint deliberations of our two Governments'. He also added that India was willing to send back her High Commissioner for discussions provided the Union Government had accepted the U. N. resolution as a basis of such discussion. Smuts replied expressing his inability to accept accordingly. In conformity with the resolution asking both the governments to report to the General Assembly session in 1947 measures adopted in terms of that resolution, the Indian Government submitted to its Secretary-General a memorandum detailing the break-down of the negotiations initiated by her. After recounting the boycott movement and the nullification of the municipal franchise proposals by the Whites, the memorandum affirmed that, by refusing to agree to the Indian request to accept the terms of the resolution as a basis of discussion, South Africa had clearly indicated that she had no desire to take any steps to remove the discriminatory treatment against Indians and other Asians imposed by her legislation. The South African report on the other hand disputed the Indian assertion and affirmed that she had

broken no agreements 'internationally binding or otherwise' nor had violated any principles of the U. N. Charter. It also criticized the Indian refusal to reinstate her High Commissioner and the continuance of economic sanctions which could not contribute to the creation of favourable atmosphere for a solution of the existing difficulties. (Mrs.) Vijaya Lakshmi Pandit who led the Indian delegation to the General Assembly, introduced a resolution in the Political Committee on 7 November stating that the General Assembly reaffirmed its resolution dated 8 December, 1946 and requesting the two Governments to enter into discussions, with Pakistan participating therein, at a Round Table Conference on the basis of that resolution without any further delay and asking them to report the results of such discussions to the U. N. Secretary-General. Speaking on the resolution (Mrs.) Pandit declared "The position this year is in many ways worse than last year...by denying the jurisdiction of the United Nations to deal with the matter, South Africa had made their report to the United Nations not in an attitude of willing acceptance of the verdict of this body but in a spirit of defiance of its authority." The Committee approved the Indian resolution by 29 votes to 16 with five abstentions. On 26 November, the resolution came before a plenary session of the General Assembly which failed to pass it by the requisite two-thirds majority, the voting being 31 for, 19 against, with six abstentions and one absentee. The Indian defeat in not securing a two-thirds majority is only technical in the face of her moral triumph vindicated by a high majority voting of 31 for and 19 against. The Indian defeat should be construed more as an indication of the sway of power politics in the U. N. O. than as any possible lack of appreciation of the Indian stand. India is not without hope that in view of the fact that the Indian question has always been a shuttle-cock of party politics in the Union, Smuts might, after the general election of the Union in June 1948, resile from his present unstatesman-like attitude.

#### EAST AFRICA

The revised Immigration Bills in the East African territories would, it is feared, practically debar Indians from entering the territories and participating in the various trades therein. The revised Bills are however better in three respects: (i) under clause 5 of the revised Bill 'permanent residents' have been excluded from the definition of 'prohibited immigrants' and so they will not be liable to deportation as envisaged in the original Bill; (ii) under clause 7 (i) of the revised Bill, the inter-territorial movement in East Africa which was vigorously restricted in the original Bill has been liberalized in favour of permanent residents, and (iii) the capital sums to be possessed by persons intending to immigrate for trade etc. have been reduced from £.1,000 to £.800 in case of mining, from, £. 2,500 to £. 800 for trade and from £. 10,000 to £. 2,500 for manufacture. But the new objectionable features seem to be a subtle weapon to pillory the above advantages in practice. While under the original Bills, a person intending to engage on his own account in trade, agriculture, mining, manufacture etc. and possessing the stipulated capital was entitled to an entry permit, under the revised Bills, mere intention to engage in trade

etc. and possession of the prescribed capital are not adequate; the prescribed authority should also be satisfied that such engagement in trade etc. of the person would not prejudice the inhabitants generally of the territory. This provision is so vague and elastic that all the improvements effected in the revised bills could be neutralized to the permanent detriment of Indians by the whims of the authorities. Besides, if any licence is required by such person for engaging in the trade etc., he must possess such licence or must satisfy that he would be able to secure one before he could enter the territory. In the case of persons seeking entry to practise the 'prescribed professions', the new stipulations would work particularly hard. Adequate provision should be made to facilitate the entry of Indians who had resided any time in East Africa for more than five years, which is the period for obtaining a domicile certificate. Indians should also be accorded representation on all bodies to be set up for the administration of the new laws.

The proposals of the British Government's Colonial Paper No. 191 published on 12 December, 1945, for an Inter-territorial Organization in East Africa provided among others for a Central Legislative Assembly empowered to legislate on defined subjects throughout Kenya, Uganda and Tanganyika and consisting of 12 official, and 24 unofficial members of whom there would be 6 representatives each of the European, Indian and African communities. Indians felt attracted by this equality of racial representation and expressed their approval to the proposals. The European community opposed them. As a result of the visit to East Africa during July-August 1946 of the then Under-Secretary of State for the Colonies, Mr. Creech Jones, the British Government published revised proposals in Colonial Paper No. 210 of 1947 as 'a basis for further discussion'. The revised proposals gave up the principle of equality of racial representation on the unofficial side of the Central Legislative Assembly and proposed instead equality of territorial representation.

While under the original proposals there would be 6 Indian members, two from each territory, elected by the unofficial Indian members of the territorial Legislative Councils, under the revised proposals, the Officers Administering the governments of the three territories have been each empowered to appoint one Indian unofficial member. Thus as against the two Indians to be elected by each territorial legislature under the original proposals, now one is to be appointed by the Officer Administering each territory. So the number of Indians was reduced from 2 to 1 and the democratic principle of election has been substituted by the outmoded principle of nomination. Under the revised proposals the unofficial members of the Legislative Council of each of the territories concerned would, voting as a whole, elect one member from among their number. Except in Uganda where an African or an Indian might be elected under this arrangement, it is likely to result in the election of two European non-officials from the other territories. While under the old proposals, only the Central Legislative Assembly could enact legislation, the revised proposals provide two other methods: (i) the High Commissioner may legislate with the advice and consent of each of the three Legislative Councils and (ii) any appropriate member of the High Commission establish-



ment may, after reference to the Advisory Board concerned, make subsidiary legislation in the form of statutory rules or otherwise, only any regulations imposing fees, charges or penalties requiring the covering approval of the High Commission. Such additional methods of legislation without proper Indian representation are likely to injure the Indian interests. The Indian Government has urged modification of the proposals so as to ensure their safety.

#### MAURITIUS

On 29 October, 1946, the Governor of Mauritius presented to the Council of Government the *Summary of Proposed Constitutional Arrangements*. Reference has been made to the Indian opposition to these proposals.<sup>1</sup> After a discussion of these proposals with a representative Committee, the Governor submitted further recommendations for the revision of the Constitution to the Secretary of State for the Colonies in his despatch dated 21 April, 1947. The Secretary of State approved them in his despatch dated 16 August, 1947 to the Governor.

The modifications suggested by the Governor relate to (a) the composition of the Executive Council; (b) the composition of the Legislative Council, as it will be called in future; (c) the method of appointment of nominated unofficial members to the Legislative Council; (d) the qualifications for registration as an elector and (e) the abolition of property qualification and the introduction of female suffrage. The new proposals as accepted by the Secretary of State for the Colonies include; (i) selection of four non-official members of the Legislative Council by that council for appointment to the Executive Council; (ii) setting up of a Legislative Council consisting of the Governor as President, three ex-officio members (the Colonial Secretary, the Procureur and Advocate-General and the Financial Secretary), twelve nominated unofficial members and nineteen elected members; (iii) the appointment of nominated unofficial members by the Governor in pursuance of His Majesty's instructions through the Secretary of State; (iv) right to vote of all persons who are British subjects of 21 years of age and upwards, and have been ordinarily and *bona fide* resident in the Colony for a period of two years preceding an election, and (a) being ordinarily resident in some electoral district, are able to read and write simple sentences and sign their names in one of certain specified languages to the satisfaction of the Registering Officers; or being ordinarily resident in some electoral district, are qualified as serving in the Forces or as ex-Servicemen discharged with certificate of satisfactory service; or (b) have been for six months previous to the date of registration owners or occupiers of business premises in an electoral district; unless debarred under the specific disqualifications proposed in the summary. No person registered as an elector shall vote in respect of more than one qualification in any one electoral district or in respect of more than two qualifications in all. The multi-member constituencies have been retained.

According to the Census of 1944, the Indian population was 265,247 out of a total population of 419,185 which includes 143,056 persons of European,

<sup>1</sup> See *India Quarterly*, Vol. III No. 1 p. 64.

African or mixed descent and 10,882 Chinese. But the number of electors as registered at 31 December, 1944 was only 11,437. The last constitutional revision took place in 1933 and so the present revision proved welcome to Indians, particularly the abolition of the property qualification under it. Under the existing Constitution only 3.2 per cent. (4,349 out of a total Indian adult population of about 135,000 Indians) possessed the vote while only 15 per cent. were literate in English or French. The advantage in the abolition of the property qualification seems, however, to have been neutralized by the introduction of a complicated literacy test and female suffrage without full adult suffrage. Even under the existing franchise 49 per cent. of the total French Coloured, British and Chinese adult population is literate and of these 18.3 per cent. have a vote. Indians fear that under the proposed female franchise, vote would be exercisable by the women of only one class to the prejudice of Indians. The business qualification stipulating an annual rental value of the premises of not less than two hundred and forty rupees is not likely to assist the admission of many Indian small traders to the electoral roll. The Governor wrote to the Secretary of State 'There is, too, the special complication arising from the existence of permanent settlements of people of European origin, greatly outnumbered by other races. The adoption of the normal method of representation might eventually here result in placing the Indo-Mauritian majority in political control of the "European" Minority'. Constitutional proposals rigged up on such ugly fears of the democratic rights of the Indian majority could not have been otherwise than as proposed.

#### INDO-CHINA AND INDONESIA

On 18 November, Prime Minister Nehru announced in the Dominion Parliament that the French Government had agreed to allow remittances by Indians in Indo-China subject to a maximum of Rs. 200 per head, and an overall limit of Rs. 50,000 per mensem. They had however stipulated that these arrangements would take effect only after the debt settlement agreement was signed which is expected to be done in the near future. The Indian Government expressed its readiness to consider the grant of an advance in rupees against a corresponding deposit in piastres in Indo-China in any case of proved hardship. Each case would be considered on its merits.

With the appointment of the Consulate-General in Indonesia during the year, the Indian Government are able to acquaint themselves with the problems of the 2,000 Indians in Sumatra. Mr. N. Raghavan, the Consul-General toured the country for a week to study the same at first hand. The Indians here also established a joint body called Indian Consultative Committee representing all Indians both from the Indian Union and Pakistan to give organized expression to the needs and problems of the Indian community resident in Indonesia.

#### FIIJI

On 28 October, 1947 the Fiji Government published the revised text of the Immigration Ordinance, 1947 whose object, it is stated, was to make better provision for the control of immigration. This is sought to be achieved

by replacing the existing law which is contained in Chapter 57 of the Revised Laws by more satisfactory legislation. Section 7 of the Ordinance enumerates a list of prohibited immigrants which include any person who is not the holder of a valid permit issued under the provisions of Section 8 unless such person is exempted under the provisions of Sub-section (4) of this Section. Section 8 (1) states 'unless exempted under the provisions of Sub-section (4) of this Section, no person shall enter the Colony except in pursuance of a permit issued to him in that behalf by the Principal Immigration Officer or by some person acting under his authority'. The Principal Immigration Officer has been given complete discretion, subject to the direction of the Governor, as to whether or not to issue a permit under the Section. Section 3 sets out the classes of persons exempted from the provisions of the Ordinance. Section 3 (a) states that the provisions of the Ordinance do not apply to any person who is a British subject or British protected person and (i) was born in the colony; or (ii) has resided in the colony for a period of five years; provided that a person who is absent from the colony for more than 12 months would lose exemption from the provisions of the Ordinance and would have to apply fresh for an entry permit. Originally an Indian could stay away from Fiji for two years without being subject to the provision requiring a fresh permit to enter. This was subsequently amended to the prejudice of Indians. The Indian community is very much perturbed by these provisions. The lack of necessary facilities for higher education of Indian students and the social, cultural and religious requirements of Indians might conceivably necessitate their absence from the colony for a period longer than exempted under the Ordinance. In view also of the long distance from Fiji to this country and the absence of adequate facilities for air travel, it is hoped that the colonial government would see their way to remove the Indian apprehensions.

#### BRITISH WEST INDIES

Some Indians in British Guiana and Trinidad have been insisting upon facilities for repatriation to India. In about the middle of 1947, the Indian Government represented to the Governments of the two territories not to take irrevocable steps for chartering a ship before she had been afforded the opportunity to examine the applications for repatriation. In this connection she pointed out that a considerable number of returned immigrants have for several years been clamouring for return to the West Indies and that she considered the present time most inopportune for immigrants to return to India as conditions in many areas were unsettled and the food position was causing concern. The Indian leaders in these countries should note that the caution and advice of the Indian Government cannot be over-emphasized and they must exert their influence in this direction.

Two years back, the British Government sent out invitations to all the Caribbean Colonies asking them if they were prepared to discuss the question of 'closer association of the British West Indies'. British Guiana, British Honduras, Trinidad, Barbados, Leeward Islands, Windward Islands etc., agreed to the suggestion while Bahamas expressed disapproval. The Secretary

of State for the Colonies presented in CMD 7120 his proposals on the question. In the middle of September a Conference was held at Montego Bay to discuss the proposals. Mr. Creech Jones, the Secretary of State for the Colonies, opened the Conference and pleaded strongly for a federation on the two-fold basis of the impossibility of creating a self-supporting and progressive economy in these colonies except on the basis of a regional approach to the common problems of the area and of speaking with a voice which could be heard in international assemblies. The ultimate object of the federation was stated to be full internal self-government within the British Commonwealth. The Prime Minister of Jamaica Mr. Alexander Bustamente opposed the federation proposal and said 'The time has come after 200 years of British rule not just for federation, but for self-government....We are willing to face the dangers of Independence.' The Conference agreed to the federation proposals and set up a Standing Committee to work out the details. It also made several recommendations to pave the way for a federation.

Indians are opposed to this move for two reasons. Firstly they feel that the federation proposal was but a subtle move on the part of Britain for consolidating her position and strength in a new guise. Appropriate reference may be made in this connection to the federation proposals for the East African territories and Malaya. Secondly, they fear that it is also a sedulous step to strangle their numerical strength in British Guiana, Trinidad and Jamaica, where their population is 43, 33 and 5 per cent. respectively of the total population. In a federation with all other British West Indian possessions, this strength is sure to be badly whittled down. Unless, therefore, suitable provision is made recognizing the reasonableness of Indian apprehensions, the Indian attitude cannot but be one of opposition to the federation proposal.

#### CANADA

Indians in British Columbia had been debarred under Section (5) of the British Columbia Provincial Elections Act, 1945 from voting at provincial elections and consequently under Section 30 (1) (g), they had also been debarred from rights to federal franchise. In the result, Indians also suffered from occupational and other disabilities. An Electors Act Committee was formed early in 1946 to consider the provisions of the British Columbia Elections Act. The Committee reported in favour of granting provincial franchise to Indians. In February 1947, the British Columbia Legislative Council considered the Report and passed in April 1947 the British Columbia Provincial Elections Act, Amendment Act, 1947 entitling Indians to provincial and consequently federal franchise.

As regards the municipal franchise the British Columbia municipalities met in a Convention and passed a resolution on 16 September, 1947 favouring the grant of municipal franchise to Indians in the province. Formal legislative effect is expected to be given in the near future. Thus the year under review registered a significant improvement in the life of Indians in this part of the world.

## INDIA AND THE WORLD

### PARTICIPATION IN INTERNATIONAL CONFERENCES AND COMMITTEES

SECOND SESSION OF THE U. N. O. GENERAL ASSEMBLY :  
NEW YORK : 16 SEPTEMBER, 1947

- 16 September 47 The Assembly met at Flushing Meadows, New York. The Indian delegation consisted of (Mrs.) Vijayalakshmi Pandit (Leader), Sir Maharaj Singh, Justice Fazli Ali, K. M. Panikkar and M. C. Settyvad (Delegates), B. Shiva Rao, Dr. P. P. Pillai, M. K. Vellooli and Shri Narain Mahtha (Alternate Delegates) and N. Sundaresan, S.A. Lal and Dr. K. S. Shelvankar (Advisers). The Assembly re-elected Dr. Aranha of Brazil as President.

#### STEERING COMMITTEE

- 17 September 47 The Committee decided, in spite of Soviet and Polish opposition, that the Assembly should discuss the U. S. resolution on threats to the political independence and territorial integrity of Greece.

The Committee also approved a proposal to set up an *Ad Hoc* Committee on the Palestine question on which all members of the Assembly would sit to make recommendations to the Assembly on the Report by the Special Committee which had earlier investigated and reported on the Palestine situation.

- 19 September 47 Russia strongly opposed the inclusion in the agenda of an Australian suggestion relating to the question whether the General Assembly or the Security Council has the final decision in admitting new members. The Committee agreed to the inclusion.

The Committee also decided to include the Argentine proposal to call a general conference to abolish the veto.

- 20 September 47 The Committee decided to include in the agenda discussion on Korea and the Italian Peace Treaty, and a U. S. proposal for the establishment of an Interim Security Committee of the Assembly

- 21 September 47 The Committee agreed to let an Australian resolution calling for less frequent use of the veto go forward to the General Assembly. Russia and Poland voted against while India abstained from voting. Justice Fazli Ali notified the committee that India would move that the Indo-S. African dispute should go straight to the General Assembly without further discussion in the Political Committee. The Secretary-General pointed out that no item could go straight to the Assembly without passing through the committee stage.

The Committee recommended to the General Assembly approval of the admission of Pakistan as the first item in the order of business, so as to permit the new country full participation in the rest of the agenda before the Assembly.

#### POLITICAL COMMITTEE

- 24 September 47 The Committee unanimously accepted the Australian resolution recommending the admission of Pakistan and Yemen into the United Nations.

- 27 September 47 Soviet Delegation presented a resolution bluntly blaming Greece for all border troubles, demanding the withdrawal of foreign troops and the establishment of a Special Commission to supervise foreign aid to Greece.

The Committee decided that Bulgaria and Albania had not given sufficient assurance that they would accept the obligations of the U. N. Charter and therefore could not be admitted to the discussion on the Greek case with full rights. They would be allowed only to make statements to the Committee and stand by to answer questions.

- 8 October 47 It agreed to set up a special Balkan Commission to observe compliance by the four governments—Greece and her northern neighbours—with the U. N. recommendations. Pakistan was to be one of the members of this commission. It was agreed that this commission should establish its principal headquarters in Salonika and go to other places within the territories of the four States. The commission would begin work 30 days

after the General Assembly had approved the Political Committee's resolution. India abstained from voting on the establishment of this commission and subsequent voting on the terms of reference.

- 11 October 47 It approved a French-British amendment calling upon Albania, Bulgaria and Yugoslavia to do nothing by way of furnishing aid to the guerrillas.
- 14 October 47 Introducing the U. S. Resolution calling for the setting up of an interim committee to function while the General Assembly was not in session, the U. S. delegate Mr. John Foster Dulles, told the Committee that the U.S. expected the present General Assembly to restore some of the lost prestige of the United Nations.
- 24 October 47 Referring to the Russian resolution which accused the U. S. A., Turkey and Greece of war-mongering, (Mrs.) Pandit told the Committee that in some countries propaganda was being deliberately indulged in which would lead to conflict of the most serious kind. 'A greater danger threatens the world and that is the possibility of a conflict based on race' she added.
- 27 October 47 The Committee rejected the Soviet resolution charging the U.S.A., Turkey and Greece with being responsible for war-mongering.
- 29 October 47 The U.S.A. proposed in the Committee that the United Nations should establish a Commission to visit Korea and consult representatives of the Korean people on the question of independence.
- 30 October 47 India submitted a five-point plan as a workable compromise between the U.S.A. and Soviet proposal for securing Korean independence without delaying matters for elected Korean representatives to participate in the discussions.
- 31 October 47 The Committee decided by an overwhelming majority to appoint a temporary Commission to supervise elections to the Korean National Assembly.
- 5 November 47 It accepted a U. S. resolution urging the establishment of an independent government in Korea, the withdrawal of occupation forces within 90 days afterwards, and elections not later than 31 March, 1948 on a national rather than a zonal basis. The resolution also provided for the constitution of a National Assembly to establish a National Government which would, in consultation with the Commission, constitute its own security forces and dissolve all other military forces. It named the following countries to the Commission which would go to Korea, Australia, Canada, China, El Salvador, France, India, the Philippines, Syria and the Ukraine.
- 6 November 47 It approved the 'Little Assembly' plan by 43 votes to 6 with 6 abstentions. The Russian delegation announced that Russia would boycott the 'Little Assembly.' Ukraine, Byelo-Russia, Poland, Czechoslovakia and Yugoslavia also announced their intention to boycott. India, China, Russia, Egypt, Cuba, Sweden, Nicaragua and Colombia were elected to serve on a special Trusteeship Committee to examine the information sent by colonial powers on conditions in their non-self-governing territories.
- 7 November 47 India presented to the Committee her resolution on Indo-South African dispute. It reaffirmed its (General Assembly's) resolution dated 8 December, 1946; requested the two governments to enter into discussions at a Round Table Conference on the basis of that resolution without any further delay and to invite the Government of Pakistan to take part in such discussions and requested that the results of such discussions be reported by the S. African and Indian Governments to the U. N. Secretary-General who should from time to time make inquiries from them and report to the Interim Committee (Little Assembly) should such a committee be in existence and who should also submit a report on the action taken on this resolution by the two Governments to the Assembly at its next session.
- 11 November 47 (Mrs.) Pandit criticized Argentine for not observing last year's Assembly resolution calling on States to withdraw their Ambassadors from Spain.

The Committee decided to recommend a meeting of the Big Five to try to solve the problem of admission of new members and to ask the International Court whether a member was entitled to make its consent to admission of one country dependent on admission of others. It also urged that Eire as a peace-loving State should be admitted to membership.

- 12 November 47 (Mrs.) Pandit formally introduced the resolution on Indo-South African dispute presented to the Committee on 7 November. Speaking on it, she declared 'The position this year is in many ways worse than last year. . . by denying the jurisdiction of the United Nations to deal with the matter, South Africa had made their report to the United Nations not in an attitude of willing acceptance of the verdict of this body but in a spirit of defiance of its authority.' Replying to the Indian contention Mr. Lawrence, S. African delegate, declared that the United Nations had no jurisdiction in the affairs of the Union of South Africa and consequently, strictly speaking, no resolution with which to comply.

The Committee approved a resolution expressing confidence that 'the Security Council will exercise its responsibilities under the Charter as soon as it considers that the situation in regard to Spain so requires it.'

- 14 November 47 Belgium, Brazil and Denmark presented a joint resolution expressing the wish that the Indian and S. African governments should continue their efforts with a view to reaching an agreement directly settling their dispute and that should they fail to reach such agreement they should submit the dispute to the International Court of Justice.
- 17 November 47 Replying to the debate on Indo-South African dispute, (Mrs.) Pandit challenged South Africa to copy the Indian solution of partition to solve the racial problem in the Union and opposed the suggestion for referring the question to the International Court.

The Indian resolution was approved by the Committee by 29 votes to 16 with five abstentions. The vote fell short of the two-thirds majority which would be necessary in the General Assembly.

- 19 November 47 The Committee voted by 30 votes to 7 with eleven abstentions to remit study of the veto problem to the newly established Little Assembly. It also adopted by 44 votes to 1 with 8 abstentions the request that permanent members of the Committee should consult on the veto problem 'in order to secure agreement on measures to ensure prompt and effective exercise by the Security Council of its functions.'

#### ECONOMIC COMMITTEE

- 27 September 47 The Polish delegation presented a resolution asking the United Nations to condemn the Marshall-Aid-Plan for Europe and insist that any machinery for European reconstruction should be kept within the United Nations' framework.
- 2 October 47 Shri Narain Mahtha warned the Committee not to look on all the world's economic problems from the angle of the advanced industrialized American and European nations.
- 4 October 47 The Philippine delegation urged the establishment of another Marshall plan to investigate under-developed areas such as Asia. Russia introduced a resolution urging wider membership of the Economic Commission for Asia and Far East by supplementing the original membership of the Commission by the inclusion of all other countries of Asia and the Far East which are U. N. members, besides inviting non-self-governing territories to work with the commission on a consultative basis.
- 18 October 47 The Committee approved the U. N. Agreements with the International Bank for Reconstruction and the International Monetary Fund. India voted for the agreements. The Committee approved without a dissenting vote the agreement with the Universal Postal Union and the International Tele-Communications Union.
- 24 October 47 It approved, Russia abstaining, the resolution recommending to the U. N. Social and Economic Council to consider the establishment of an Economic Commission for the Middle East.

#### SOCIAL COMMITTEE

- 25 October 47 Speaking on a Yugoslav proposal calling for measures to prevent slanderous reports, Mr. Panikkar protested against the 'great deal of false and often malicious propaganda' circulated about India and Pakistan.
- 30 October 47 The Committee approved the Report of the I. L. O. on Freedom of Association and decided to transmit the report to the Commission on Human Rights. It rejected the Indian proposal made by Mr. Panikkar that the 'abolition of racial discrimination in any

form in the organization and functioning of trade unions' be included in the list of fundamental principles on union rights.

## TRUSTEESHIP COMMITTEE

- 24 September 47 India urged an immediate discussion of South Africa's failure to submit a Trusteeship Agreement for South-West Africa. The Chairman said that the Committee would cross that bridge when it came to it.
- 25 September 47 The Leader of the South African delegation reiterated his government's refusal to submit S. W. Africa to trusteeship agreement. Sir Maharaj Singh denounced this failure as a 'persistent breach of the principles of the Charter.'
- 2 October 47 India proposed a resolution condemning South Africa for not placing S.W. Africa under trusteeship and asking the General Assembly to urge South Africa to do so before the next session. She also proposed a separate resolution stating that 'The General Assembly resolves that the U. N. members responsible for the administration of non-self-governing territories be requested to submit trusteeship agreements for all or some of such territories as are not ready for immediate self-government.'
- 7 October 47 Sir Maharaj Singh moved a resolution asking the General Assembly to disapprove South Africa's action and strongly urge South Africa to submit a trusteeship agreement by the next General Assembly Session.
- 12 October 47 The Indian proposal for the General Assembly to set up a special committee to meet three weeks before every Assembly session to examine information about non-self-governing territories submitted by the colonial powers was passed by the Committee. The Committee also approved a Soviet proposal asking that countries administering non-self-governing territories should transmit information on the participation of local population in the work of local organs.
- 13 October 47 Speaking in support of his resolution moved on 2 October, Sir Maharaj Singh told the Committee that under an impartial trusteeship system racial discrimination which was being approved and tolerated by governments, would not be tolerated.
- 14 October 47 The Committee approved by 25 votes to 23 an Indian resolution making the General Assembly to request U. N. members responsible for the administration of non-self-governing territories to submit a trusteeship agreement for all or some of such territories as were not yet ready for immediate self-government. Britain, Australia, New Zealand, South Africa, Canada and the U. S. A. voted against it, while Pakistan endorsed it.
- 15 October 47 It adopted by 27 votes to 20 the Indian resolution calling on the South African Government to submit a trusteeship agreement to place the Mandated territory of S.W. Africa under U. N. trusteeship by the next session of the General Assembly.

THE *Ad Hoc* COMMITTEE ON PALESTINE

- 26 September 47 The British Colonial Secretary, outlining Britain's policy towards Palestine, said the British Government would agree to the termination of the Palestine Mandate. Justice Emil Sandstrom (Sweden), Chairman of the U. N. Special Palestine Committee, presented the Palestine Report.
- 13 October 47 The Soviet delegation announced her support to the majority report of the U.N. Committee on Palestine urging partition of Palestine. As no conciliation was possible between the Jews and Arabs after the present tension and therefore no single State could be established, the Arab and the Jew should, it was stated, live freely and peacefully each in his State.
- 3 November 47 Russia proposed in the Sub-Committee that the British Mandate should end on 1 January, 1948, that the interim regime should last no longer than one year and that a Commission composed of all member States of the Security Council should go to Palestine immediately. He also proposed that the United Nations should ensure the immediate creation of provisional government councils for the Arab and Jewish States.
- 17 November 47 The Sub-Committee on Palestine reached agreement on a partition plan which stipulated that 1 August, 1948 should be the last date for the withdrawal from Palestine and that two months later, on 1 October, 1948, the Jewish and Arab States should attain



independence. It recommended to the General Assembly to appoint a Commission of five nations to carry out the administration during the transitional period and establish provisional governments in the proposed Arab and Jewish States. The nations named were Guatemala, Iceland, Norway, Poland and Uruguay.

- 19 November 47 The Sub-Committee consisting of the Arab delegates which considered the case against partition of Palestine presented its report and proposed three resolutions: firstly, that the International Court be asked for an opinion on controversial points; secondly, that the General Assembly should immediately initiate an international agreement to deal with the problem of distressed Jews and thirdly, an independent Palestine as a sovereign and unitary State with a democratic constitution be established.
- 21 November 47 Britain informed the Committee that she would hand over power only to a United Nations Commission, and not to either separate Arab or Jewish governments or to a single Arab-Jewish Government.
- 24 November 47 The Committee rejected an Arab resolution for a united Palestine and another Arab resolution asking for the legal issues involved in partition to be referred to the International Court of Justice and asking the Court to rule whether U.N.O. was competent to enforce partition.
- 25 November 47 It accepted the partition plan for separate Jewish and Arab States in Palestine by 25 votes to 13 with 17 abstentions and two absentees. India and Pakistan voted against.

#### LEGAL COMMITTEE

- 1 October 47 Mr. Lal told the Committee that although India had now become fully independent of Britain, this did not affect her international personality which she acquired as an original member of the United Nations.
- 17 October 47 Pakistan proposed that a judicial committee on the same principle as the Court at Nuremberg be appointed to go into the whole question of remaining war criminals in the world. If there is a *prima facie* case established against them, then they should be sent back to their respective countries for trial.

#### BUDGETARY COMMITTEE

- 27 September 47 Dr. Pillai asked for a reduction by six million dollars in the estimated budget of the U.N.O. and complained that though India was paying nearly four per cent. of the total contributions, there were only ten Indian nationals and that too in lower category staff and she was entitled to ten times that number.
- 2 October 47 India appealed for a review of the whole question of contributions to the U. N. O. for 1949. Mr. Sundaresan said that he presumed the figure of 3.95 of the total contributions for 1948 would be distributed between India and Pakistan. The Pakistan delegate, M. M. Farookhi, said that he agreed with the Indian delegate.
- 10 November 47 The Committee decided to submit its report showing \$ 180,000 for the establishment of the 'Little Assembly' to the plenary session of the General Assembly.

#### PLENARY SESSION OF THE GENERAL ASSEMBLY

- 17 September 47 Speaking in the opening session, Marshall declared that the United Nations should aim at the perfection of its organization so as to safeguard the security of States and the well-being of their peoples.
- 18 September 47 Vyshinsky characterized the 'Truman Doctrine' and the Marshall plan as 'violation of United Nations principles' and as U.S. attempts to dictate policy to other nations. Dr. Evatt announced Australian support for Marshall's proposals limiting the use of the veto and setting up a new peace and security committee.
- 19 September 47 (Mrs.) Pandit pledged India's fullest support and co-operation to see that the establishment of the U.N.O. should in future mark the beginning of a new and less unhappy chapter in human history. Making a brief reference to the Indo-South-African dispute she warned that if unresolved, it 'may spread misrepresentation and conflict over a much wider sphere because of its basically racial character.' 'Correspondence recently published between the Prime Ministers of the two dominions reveals India's anxiety to

reach a fair and honourable settlement on this issue.' She asserted that every international question might be regarded as having a national aspect and so a member State could not be allowed to evade the obligation on the pretext of domestic jurisdiction and thus nullify the charter.

She pleaded for moderation and restraint in the use of veto so as to avoid inhibiting the implementation of the majority will in the Security Council.

- 21 September 47 Marshall's proposal for a General Assembly Peace and Security Committee was included in the General Assembly agenda, Poland and Russia opposing it.
- 22 September 47 British Minister of State Mr. Hector Mc. Neil addressed the General Assembly and expressed his Government's approval of Marshall proposals to set up a General Assembly Peace and Security Committee and described as 'obvious nonsense' Soviet charges of war-mongering.

- 30 September 47 Pakistan and Yemen were admitted to membership of the United Nations. The Assembly elected Argentina and Canada to the membership of the Security Council.

- 1 October 47 (Mrs.) Pandit protested against a Soviet 'appeal for votes' on behalf of the Ukraine when, after nine inconclusive ballots, the Assembly adjourned without deciding whether India or Ukraine should be elected to the Security Council. She reiterated India's claim for the seat on the basis of the U. N. Charter granting geographical representation and stressed that after the retirement of Australia from the Council, the entire Indian Ocean area was left unrepresented on the Council.

The Assembly elected Australia, Britain, Brazil, Denmark, Poland and Soviet Russia to the membership of the Economic and Social Council.

- 15 October 47 Syria and Iraq proposed separate resolutions calling on Britain to place Palestine under U.N. trusteeship until full independence could be granted and referring certain legal points in the Palestine problem to the International Court.
- 31 October 47 The Assembly unanimously decided that 24 October—anniversary of the United Nations Charter coming into force—would henceforth be officially called 'United Nations Day.'

Mr. Panikkar criticized France and the Netherlands for failing to submit applications for associate membership of the Economic Commission for Asia and Far East for Vietnam and the Indonesian Republic.

The Assembly approved without opposition the proposal that the U. N. Economic and Social Council should study the establishment of an Economic Commission for the Middle East.

- 1 November 47 The Assembly passed by 41 votes to 10 the Indian resolution calling upon S. Africa to submit a scheme for the trusteeship of South-West Africa for the consideration of the General Assembly before the next session as amended by the Danish amendment expressing that South Africa 'may find it possible to do so in time to enable the General Assembly to consider that Agreement at the next session of the Assembly.'

The General Assembly rejected the Indian resolution expressing the hope that all colonial powers would put some or all their non-self-governing territories under trusteeship.

- 3 November 47 It rejected by 24 votes to 17 an Indian resolution adopted previously by the Trusteeship Committee calling for the establishment of a Special Committee to examine the information submitted by the States administering colonial territories and empowering the committee to make any recommendations deemed appropriate. Instead the Assembly approved of the establishment of a body similar to the *ad hoc* Committee on Information established in 1946 and having no powers to make recommendations on individual territories.
- 13 November 47 It elected the Philippines and Costa Rica to the membership of the Trusteeship Council.
- 14 November 47 The Assembly approved the establishment of a U. N. Commission consisting of Australia, Canada, China, El Salvador, France, India, the Philippines, Syria and the Ukraine Republic to supervise the granting of Independence to Korea.

15 November 47 It approved the proposal to hold its next session in Europe provided that the Assembly later approved by a two-third majority the extra cost involved. India voted against the proposal.

18 November 47 The Assembly endorsed the principles of trade union rights proclaimed by the I.L.O. and decided to transmit them to the Commission on Human Rights for consideration in framing an International Bill of Human Rights.

It approved Austria, Eire, Finland, Italy, Portugal, Trans-Jordan, as qualified for U.N. membership and recommended to the Security Council to reconsider their applications.

It also endorsed the resolution recommending Big Five consultations on the question of membership and approved a Belgian resolution asking the International Court to pronounce whether an application for membership could be opposed by a member State on grounds other than those mentioned in the Charter.

It rejected the resolution reaffirming its last year's resolution recommending all members to withdraw their Ambassadors from Madrid.

20 November 47 The Indo-South African dispute came up for discussion. Belgium, Brazil, Cuba, Denmark and Norway introduced a joint resolution asking the Assembly to call upon both the governments to continue their efforts to settle their dispute through a Round Table Conference or other direct means or if necessary by mediation or conciliation and should they fail to reach such an agreement, to submit the question of the extent of the obligations under the agreements and under the provisions of the Charter to the International Court of Justice.

The Assembly failed to pass by two-thirds majority the Indian resolution calling for a Round Table Conference based on last year's decision on the treatment of Indians in South Africa; 31 voted in favour, 19 against, 6 abstained and one was absent.

The Assembly approved the plan for holding its next session in Europe and adopted the budget of over 34,000,000 dollars for 1948.

23 November 47 The Assembly decided to establish an International Law Commission consisting of 15 jurists to be elected at the 1948 Assembly for codifying an acceptable body of international law. It also took two other decisions—one relating to the crime of genocide and the other relating to the adoption of an American proposal to let the Little Assembly take over the job of studying and reforming the veto.

29 November 47 The Assembly approved by 33 votes to 13 the partition of Palestine into separate Arab and Jewish States with Jerusalem as an independent city. There were ten abstentions and one absentee. India and Pakistan voted against partition. The Arab delegates declared that they would not feel bound by the decision and reserved the right to take whatever action they thought fit.

The Assembly appointed Bolivia, Czechoslovakia, Denmark, Panama and the Philippines to the U. N. Commission which would take over Palestine when the British withdrew and hand over power to the Arab and Jewish States.

Winding up the session Dr. Aranha, the President, appealed to South Africa and India to try to reach agreement on their dispute over the Indo-South African dispute.

The Session ended.

#### SECURITY COUNCIL

1 October 47 Russia vetoed the applications of Italy and Finland for membership of the United Nations when the Council turned down the applications of Bulgaria, Hungary and Rumania.

7 October 47 India urged the Council to order both the Dutch and the Indonesians to withdraw to their pre-conflict lines. Dr. Pillai said that the Consular report showed that the Netherlands had been trying to consolidate positions gained during the recent offensive.

20 October 47 The U.S.A. submitted for consideration a proposal calling upon the Netherlands and the Indonesian Republic together with the Council's own Three-Man Committee on the spot to consult on the means to give effect to the cease-fire order in Indonesia, which had so far not been observed.

- 27 October 47 Dr. Pillai told the Council that the Indonesian case was the first opportunity it had had to exercise its authority in open armed conflict between States and to act in a supervisory capacity in relation to the withdrawal of troops as the prelude to the settlement of a dispute. India looked for withdrawal of troops to pre-hostilities positions as demanded by Russia, he added.
- 31 October 47 The Council appointed a Sub-Committee for considering amendments to the proposal for a fresh 'cease-fire' order. The proposal made by the U.S.A. provided for the restoration of the relative positions of the Dutch and Indonesian troops on 4 August and not those on 21 July when the Dutch 'police action' began.
- 1 November 47 The Council passed an amended resolution on the Indonesian dispute recommending that the Dutch and Indonesian Republican forces should consult together now—either directly or through the U.N. Three-Nation Mediation Commission now in Java—to give immediate effect to the cease-fire order.
- 12 November 47 (Mrs.) Pandit announced India's withdrawal from the contest in the election to the Security Council. India decided originally to contest the election on the ground that after the exit of Australia from the Council, there was no one on that body to represent the Indian Ocean region. As, however India had been told that allocation of seats in the Council was based upon some private arrangement arrived at between some of the powers and that as a result of these power politics a deadlock had been reached in the contest and the work of the Assembly had suffered, India decided to withdraw from the election, while at the same time reserving her right to bring the issue to the forefront again at the appropriate time.
- 13 November 47 On India's withdrawal the Assembly elected Ukraine to the membership of the Council.

THE PREPARATORY ASIAN REGIONAL (I. L. O.) CONFERENCE:  
NEW DELHI: 27 OCTOBER, 1947

The agenda of the Conference consisted of four main items: Problems of social security; labour policy in general including the enforcement of labour measures; the formulation of a programme to enforce social standards in consonance with international code and lastly a general economic background of social policy, including problems of industrialization. The Conference was also to consider the report of the Director-General of the I.L.O. which would deal with the question of the coordination of regional activities with the general activities of the I.L.O. To facilitate discussions at this Conference the I.L.O. got ready special reports on each of the items on the agenda. These reports were prepared by the I.L.O. Mission which toured the Far East including India, early this year. They formed the basis of discussion at the Conference and were expected to lead to the formulation of progressive programmes of social, economic and labour reforms designed to raise the standards of living and prevent the exploitation of workers in Asia.

Over two hundred delegations representing the Governments, employers and workers from about 20 Asian and Pacific countries attended the Conference. The Indian delegation consisted of Jagjivan Ram, Dr. Shyam Prasad Mukherjee (Government), Sir Shri Ram (Employers) and R. A. Khedjkar (Workers) besides a number of Advisers. Sir Guildhaume Myrddin-Evans, Chairman of the Governing Body of the I. L. O. inaugurated the Conference. Welcoming the delegates on behalf of India, Prime Minister Nehru emphasized the importance of bringing about a 'tremendous raising of the standard of living in Asia.' Tracing the history of the I.L.O. Pt. Nehru expressed admira-

tion for the work that it had done. He assured the Conference that India 'would try to carry out the decisions of the I.L.O. to the utmost of her ability. Sir Guildhaume said that on the results achieved by the Conference would depend the degree of social justice and happiness of the people of Asia.

Mr. Jagjivan Ram, the Indian Minister for Labour, was unanimously elected President of the Conference. Mr. Pao Huo Kuo (Government) from China, Mr. L. Cresson (Employers) from Singapore and Dr. A. M. Malik (Workers) from Pakistan were elected vice-presidents. The Conference also appointed a Selection Committee to report on the rules of procedure and standing orders for the Conference. Addressing the Conference Mr. Jagjivan Ram declared that it should be the task of the Conference to consider how best 'we could help in furthering plans of economic development, to take stock periodically of the increase in the national wealth brought about by such developments and formulate schemes for distributing it on an equitable basis.' The Conference approved the Selection Committee Report supporting the setting up of three committees on labour policy, programme of action and social security. On 29 October the Conference began discussion on the Director-General's Report. Sir Shri Ram said that there could be little social progress in Asian countries if there was no economic development and regretted that representatives of agriculture were not present, for agricultural labour predominated in Asia. Speaking on 31 October, Dr. Mukherjee, Indian Supply and Industries Minister, said that the I.L.O. could enlist the co-operation and help of employers and workers in other countries to enable India to organize in a short period the necessary training and technical skill required for the achievement of her river and hydro-electric development schemes and her plans for increased agricultural and industrial production.

On 3 November, the Conference welcomed Pakistan as a full and independent member of the I. L. O. Later it continued the discussion of the Director-General's Report. On 5 November the Conference adopted five resolutions. The resolution relating to intensification of the Asian work of the I. L. O. urged convening an Asian Regional Conference in China in 1949, arranging for a further regional conference and meetings of technical experts from Asian countries and holding meetings of the various committees of the I. L. O. in Asian countries. The second resolution, which related to labour standards in Japan, stated that general improvement in the labour standards of Asian countries could not be secured on a national basis unless the standards agreed upon were applicable to Japan. It suggested some steps to ensure their applicability to Japan, including the appointment of a Fact-Finding Mission and an examination at the appropriate time of the desirability of re-admission of Japan to the I. L. O. The third resolution on tripartite organization urged consideration by governments of the establishment in their countries of tripartite organizations with committees to deal with special problems. The fourth and fifth resolutions stressed respectively on the urgent necessity for increased production and highest importance of securing proper conditions of life and work for Asian sea-farers.

On 6 November the Conference accepted the report embodying the resolu-

tion on social security submitted by the Committee on Social Security. Stating that the establishment of social security services had become an urgent task among the workers of Asian countries, the resolution urged that such schemes should be accompanied by measures providing for an adequate growth and supply of essential food-stuffs sufficient to meet the accepted standards of subsistence and nutrition, a living wage, decent housing and healthy environment and free and compulsory education. The resolution urged the governments of Asian countries to take vigorously on hand schemes for the achievement of these objectives.

The Conference concluded on 8 November after passing resolutions on the programme of action for the enforcement of social standards covering labour, need for extension of existing labour legislation, expert assistance by the I. L. O. and a request to Asian countries represented at the Conference to submit periodical reports.

It was decided to hold the next conference in China in 1949.

FIRST MEETING OF THE WORLD FOOD COUNCIL OF THE F. A. O.  
WASHINGTON: 4 NOVEMBER, 1947

This Council was set up at the recent annual session of the F. A. O. at Geneva to take over the functions of the present International Emergency Food Council and the functions proposed for a World Food Board. The Council is the executive body of the F. A. O. and consists of the representatives of 18 member governments including India which was elected for a period of one year.

Mr. S. Y. Krishnaswami represented India at the meeting which dealt with several important questions relating to the immediate problems of allocation of food and fertilisers as well as the long-range problems connected with the development of agriculture. The meeting decided to hold a Rice Conference either at Bangkok or Shanghai in February 1948 and to take over the functions of the International Emergency Food Council and the Commodity Committees under it. It also set up two special committees, one to deal with immediate problems as overcoming exchange difficulties in securing food supplies from surplus countries, maximizing the output of existing fertiliser factories and cutting down consumption of cereals by cattle, poultry etc. The second committee, of which India has been elected a member, will deal with schemes of agricultural production in the various countries and the steps necessary to implement them by securing the necessary technical personnel and material.

FOURTH PLENARY SESSION OF THE UNESCO CONFERENCE:  
MEXICO CITY: 10 NOVEMBER, 1947

The Conference was attended by delegations from 39 nations and observers from many international organizations. The Indian delegation consisted of Dr. S. Radhakrishnan (Leader), K. M. Panikkar, (Mrs) Aruna Asaf Ali and Homi J. Bhabha. Dr. Radhakrishnan was elected as one of the vice-presidents of the Conference and Dr. Bhabha as Chairman of the Working Party on Natural Sciences.

Referring to the fact that 514 of the 517 posts in the UNESCO Secretariat

were held by the British and American nationals, Dr. Radhakrishnan pleaded for putting an end to the impression that UNESCO was an Anglo-American concern. Mr. Emilio Abelle of the Philippines said 'If UNESCO remains faithful to the ideals set forth in its constitution, it will become an indispensable builder of peace'. On 12 November (Mrs.) Aruna Asaf Ali urged 'immediate action and not planning' as the basis of the UNESCO's world programme. She urged the UNESCO to concentrate on combating international distrust and conflict to build a new world.

There was a heated discussion in the Mass Communications Committee on the question of breaking down the barriers to the free flow of information throughout the world. Discussing the question of what UNESCO's immediate concern should be in the realm of mass communications, press, radio and films, Lloyd Free of U. S. A. argued on the more immediate issue of how UNESCO should help break down the barriers. J. B. Priestly from Britain, on the other hand, maintained that UNESCO should give priority to a programme to sell UNESCO to people. India supported the British view.

The Conference voted in favour of limiting the organization's budget and revolving fund to \$ 9,000,000 for 1948—a cut of some \$ 1,500,000 from the amount asked for by the Director-General.

A committee of the Conference recommended a fund to aid reconstruction of films, press and radio in war-devastated countries and that the survey of film, radio and press technical needs should be extended next year to Latin American countries, India, Burma, Malaya and Siam. A permanent commission was also recommended with members from Australia, Belgium, Brazil, Canada, China, the U. S. A., France, Mexico, Poland, Britain, Switzerland and Czechoslovakia to prepare and coordinate radio programmes. Speaking on 18 November Dr. Radhakrishnan appealed to the peoples and heads of their governments to support the ideals of the UNESCO and to stand for one world.

The Programme and Budget Committee adopted an International Teachers' Charter proposed by the French delegation to ensure that the principles of equality of colour, sex and religion should always operate in the teaching profession without any discrimination in any branch whatsoever. Mr. A. A. Roberts (South Africa) declared that such equality could not be applied in his country at present.

The final plenary session on 5 December approved a world-wide programme for 1948 calling for an expenditure of 7,682,637 dollars. India was asked to pay 4.6 per cent. towards this budget. It was decided to hold the next conference in Beirut, capital of the Lebanon.

EXECUTIVE BUREAU OF THE WORLD FEDERATION OF TRADE  
UNIONS: PARIS: 19 NOVEMBER, 1947

Russia, U. S. and other countries attended the meeting. Mr. S. A. Dange represented India.

On 23 November the Bureau rejected a proposal made by the American Congress of Industrial Organizations to put the question of the American

aid to Europe on the agenda. On 24 November the Bureau decided to send a commission to Asia to prepare for the Asian Trade Union Congress Conference next year probably in Calcutta.

SECOND SESSION OF THE ECONOMIC COMMISSION FOR ASIA AND  
FAR EAST : BAGUIO : 24 NOVEMBER, 1947

H. E. Manuel Roxas, the President of the Philippine Republic, opened the session. Dr. T. F. Tsiang, the Chinese delegate was elected the Chairman. Mr. R.R. Saksena represented India. President Roxas said: 'This world cannot long live at peace half slave and half free; neither can it live at peace when half of the world has too much and the other half has less than is needed to maintain human existence'. The Commission accepted the credentials of all the representatives of member countries except Siam wherein the change of Government had not been effected in a constitutional manner. After much debate it was decided to allow the Siamese representatives to participate in the discussions on the understanding that this would not be considered as in any way implying recognition of the régime established in Siam. The Commission accepted the applications of British North Borneo, Brunei and Sarawak, Burma, Ceylon, Hong-Kong, Borneo, Laos, Cambodia, Malayan Union and Singapore sponsored by the United Kingdom and France and permitted to participate as Associate members. Two applications were received from Indonesia, one sponsored by the Netherlands Government and the other sent directly by the Indonesian Republic to the Executive Secretary. On inquiry by the chairman if any member country would support the application sent direct by the Republic, Mr. Saksena volunteered to support it on behalf of the Indian Government. After discussion for two days, the session adopted the resolution of the Chinese delegate to postpone the consideration of both the applications.

The meeting passed several other important resolutions:

- (i) establishing a working party to prepare a report upon existing plans for promoting industrial development in each country of the region and to formulate proposals for the consideration of the Commission;
- (ii) deciding that negotiations be conducted with the specialized agencies in order to collect information on facilities for the training of technical and administrative personnel;
- (iii) recommending to Member and Associate Member countries within the region to organize agencies for the promotion of trade;
- (iv) deciding that in consultation with F. A. O. studies should be made of measures for the agricultural rehabilitation of these regions;
- (v) making detailed recommendations for compiling statistics in the countries of this region;
- (vi) recommending to the Economic and Social Council to establish a bureau of food control;
- (vi) adopting the Indian motion appealing to the supplying countries to reduce the price of cereals to a reasonable level; and
- (viii) recommending to the Member Governments to facilitate exchange



of visits of officials engaged in various aspects of economic reconstruction and development. India supported all these resolutions.

INTERNATIONAL TRADE ORGANIZATION (I. T. O.) CONFERENCE:  
HAVANA: 21 NOVEMBER, 1947

The object of the Conference was to take final decisions on the International Trade Charter drafted at Geneva and to formulate an international trade code to raise the world's standard of living. Russia refused the invitation to attend on the ground that she had not yet had time to make proper study of the questions involved. Other countries which did not attend the Conference were Yugoslavia, Bulgaria, Ukraine, Byelo-Russia, Abyssinia, Saudi Arabia and Siam. The Indian delegation consisted of C. H. Bhabha (Leader), Sir N. R. Pillai (Deputy Leader), D. P. Karmarkar, B. N. Adarkar, B. N. Banerji, B. N. Ganguli, D. L. Mujumdar and M. A. Mulky. 62 nations attended the Conference.

On 22 November Senor Sergio Clark, leader of the Cuban delegation, was elected President of the Conference. Mr. Bhabha was nominated second Vice-Chairman of the Conference, the first being M. Suetens of Belgium. Speaking on 26 November Mr. J. Dedman of Australia declared that 'Reduction of trade barriers is not enough,' and urged for conditions in which the legitimate aspirations of the various peoples of the world could be realized. Mr. Arthur Bottomley of Britain stressed the maintenance by all countries of a high level of employment and demand and the mutual dependence for good or ill of the various countries. He pleaded that world's former trade philosophy of 'every man for himself and the devil take the hindmost' should be abandoned. Speaking on 29 December Dr. A. K. Gani of Indonesia declared that the Dutch were trying to 'strangle' Indonesia by blockade.

Addressing the plenary session, Mr. Bhabha gave general support to the proposed trade charter adding 'that does not imply that we believe that automatic expansion of world trade on any substantial scale would follow upon enforcement of the Charter by the signatory members'. He stated that a lasting increase in world trade and employment could be realized only by restoring productive resources damaged by war and not 'the mere liberalization of trading conditions'. On 2 December Mr. G. C. S. Corea of Ceylon told the Conference that 'in drafting the Charter undue emphasis was laid on the point of view of economically powerful countries. The draft Charter betrays a complete lack of realism on the matter of the difficulties of primary producers and there is a tendency to forget them.'

B. N. Adarkar proposed in a committee meeting on 6 December that the I. T. O. should be authorized to undertake surveys of under-developed countries for possible economic expansion instead of being limited to an advisory capacity as at present. Australia supported the suggestion, whereas the U. S. A. opposed it. On 7 December Syria and the Lebanon proposed a system of regional economic preference extending from Greece to Afghanistan and possibly Pakistan. Mr. Adarkar strongly supported the proposal as 'that was a legitimate protective device to develop small home markets' and pleaded that economic

preference be regarded as serving the same purpose as protective tariffs.

INTERNATIONAL SOCIALIST CONFERENCE: ANTWERP:  
29 NOVEMBER, 1947

Mr Madhu Limaye represented the Congress Socialist Party as observer.

The Conference elected M. Louis de Broachere, President of the Belgian Labour Party, as Chairman of the Conference. It agreed to admit the International Jewish Party as a full member of the Conference and the two Spanish exile labour parties, the Labour Party of India and the Radical Democratic Party of India as observers. The admission of Bulgarian Government Socialist, the U. S. Labour Party and the German Social Democrats was held up owing to objections by some delegates. It was agreed to admit the U. S. representative as an observer and to ask for a further report on the question at the next conference.

On 1 December the Conference decided to strengthen its permanent machinery for co-operation between conferences by creating what is virtually an executive committee. The statute of the new committee empowers it to hold regional conferences by associated parties to which delegations of the committee would be invited.

### DELEGATIONS AND MISSIONS

INDIAN ARMY MISSION TO THE U. K.: 2 NOVEMBER, 1947

The Mission was sponsored by the Indian Government and consisted of H. M. Patel (Leader), Gen. Sir Rob Lokhart, C-in-C. Indian Army, A. K. Chanda, Captain Nott, Col. Daulat Singh and Group Captain Lal. The object of the visit was to discuss the question of retaining the British Army officers for service with the Indian Army and negotiate the terms for the employment of British officers who volunteer to stay on in the Indian Union Army after 31 December, 1947. The Army Nationalization Committee recommended that the Army should be nationalized and that a British Military Mission should be invited to India for advising Indian Army officers. This meant that while British officers advised on the points referred to them, it would be the responsibility of Indian officers to decide whether that advice should be accepted. In some of the technical branches where it would be necessary to retain British officers and commanders, adjustments would have to be made so as to permit those officers to comply with the regulations of the Indian Army while retaining their connexion with the British Army. The Mission discussed these and other pertaining matters, besides visiting various training institutions, the Admiralty and the Ministry of Air and Defence and the War Office. The Mission also discussed the final draft of the agreement for a British Military Mission to India. It returned to India on 18 November.

TIBETAN TRADE MISSION TO INDIA: 20 DECEMBER, 1947

The Mission led by Hipon Shakalpa and consisting of three members arrived in Calcutta on 20 December. They will visit a few important centres in India to study the possibilities of promoting Indo-Tibetan trade.

## ASSOCIATIONS IN INDIA INTERESTED IN FOREIGN COUNTRIES

### THE CZECHOSLOVAK ASSOCIATION, BOMBAY

The Association is a social body of Czechoslovak nationals and friends of the Republic of Czechoslovakia in the Bombay Presidency and its neighbourhood. Its objects are to promote social and cultural activities and strengthen the sense of unity amongst fellow countrymen in India; to represent the Czechoslovak nation and State within its limited ability and help the propagation of the cultural and economic activities of the Republic, to cultivate cultural and friendly relations between Czechoslovakians, Indians and the British, and lastly to help Czechoslovakians who are in need of any assistance.

The Association has three categories of membership: (a) Associate Ordinary Members who are Czechoslovakians and subscribe to the aims of the Association as well as subjects of the Allied countries whose membership the Managing Committee recommends and the General Body approves; (b) Associate Founder Members comprise of those Czechoslovakians or other citizens of Allied nations who donate towards the good work of the Association at least Rs. 500 and who are recommended by the Managing Committee; (c) The Associate Honorary Members are those whose merits and activities are outstanding in connexion with the achievements of the aims of the Association. All members share equally all the privileges. While the entrance fee for Associate Ordinary Members is Rs. 5 and the monthly subscription Rs. 5 or more according to the goodwill and ability of the member, the Honorary and Founder Members pay neither an entrance fee nor a monthly subscription.

The Managing Committee consists of a President, (Mr. O. Cech), Secretary (E. Brugel) and Treasurer and other members. It is elected annually and all its decisions should be approved by the General Body. It is elected by the Annual General Meeting which takes place in January every year.

## REVIEWS AND NOTICES

### INTERNATIONAL AFFAIRS

**THE CARTHAGINIAN PEACE—OR THE ECONOMIC CONSEQUENCES OF MR. KEYNES.** By Etienna Mantoux. 1946 (Oxford University Press, 12 Sh. 6d. Net).

IN this penetrating study the author undertakes a systematic examination of J. M. Keynes' *Economic Consequences of the Peace*. He advances facts and data to show how disastrously Keynes misunderstood and misinterpreted the effects of the Versailles Treaty and how successfully he established the erroneous theory of Allied responsibility for Germany's collapse and her subsequent military recovery.

The target of the author's attack is not Keynesianism in general, for he is otherwise a great admirer of the theoretical systems built up by Keynes. Mantoux subjects Keynes' views on the Peace Treaty to a ruthless analysis and criticism. Keynes' main dogmas on Versailles seemed to be accepted uni-

versally, taken for granted and even passed into a legend. And yet, says Mantoux, it has become the influence, not of living thought but of a dead hand. Mantoux took upon himself to bring these dogmas to the test of facts and realities.

Mantoux confronts Keynes with subsequent events in Germany. Keynes had denounced the 1919 Treaty as excessively harsh and inhuman and impossible of execution. The sums demanded for reparations, he argued, were far beyond Germany's capacity to pay and by all the logic of economics these vast sums could not be transferred to the Allied countries across the obstacles of trade and currency frontiers. Mantoux produces evidence, copious evidence, in support of his contention that German resources were fully adequate to meet the reparations payments. Under Hitler's drive Germany proved able year by year to set aside for war preparations sums far greater than those involved under the Peace Treaty and these sums were provided for while maintaining the health and efficiency of the people of Germany at a notably high level. Yet in 1940 when Germany conquered Western Europe she felt no disability or compunction in wringing huge amounts from the defeated countries despite currency frontiers and trade restrictions.

Mantoux proves that Keynes's tractate had not only economic but also political consequences. It contributed most powerfully to the major political events, rather political disasters, that followed the making of the Treaty e.g. the defeat of President Wilson and the secession of the United States from the League of Nations.

The timeliness of the book is obvious. It may well have a deep and decisive influence on the course of events in Europe and the Far East. If Keynes is taken as the bold and intrepid guide Mantoux should be associated with him as a corrective, a warning and as one who has, on the whole, a better sense of realities. By a sad coincidence both the author and the man whom he criticizes are now dead but their books are with us jointly to stimulate our thinking on the vexed subject of treaty-making.

V. L. D' SOUZA

THE BASIS OF SOVIET STRENGTH. By George B. Cressey. 1945  
(London: George G. Harrap & Co.)

This book is a geographer's attempt to evaluate the physical and environmental basis of Soviet power. The crux of the thesis is that the strength of the U. S. S. R. lies in her dynamic political and social system and in her abundant resources. The problem is therefore mainly political and economic. The resources have been there for quite a long time and the conclusion is inescapable that Russia's rise to prominence is due to her political and social structure. The author, however, is anxious to avoid controversial issues and has contented himself with cursory references to the Soviet régime. In describing the resources, factors of geography and ethnology are discussed at great length; so much so it makes rather dull reading for the lay man.

The key-word in Soviet geography is continentality. Its eight million square miles comprise one-sixth of the earth and hence the problem of *lebensraum* does not arise. In spite of the fact that millions of square miles are worthless,

there are still vast tracts of arable land and sufficient diversity of soil and climate to ensure immense agricultural production. Commercial timber alone comprises one million square miles and there is five times as much rich soil as in the U. S. A. Soviet mineral resources are abundant and varied, the most important being coal, oil, iron, copper and aluminium. Not all, however, of these are of high quality or easily explorable.

Soviet continentality is intensified by the lack of transport facilities. Russia has the largest and most useless coastline in the world. Frozen seas and the absence of good ports prevent maritime progress, and it does not seem that the quest of the Russian bear for warm water will ever be successful. Even the rivers flow in the wrong direction and empty into land-locked seas.

Not the least important of Soviet potential is her enormous reserve of manpower. The Russian population of two hundred millions is increasing at the rate of 2,800,000 a year. It comprises the most complex group of nationalities on the face of the earth. There are as many as 167 ethnic groups speaking eighty different languages. But nowhere do we find such patriotic unity.

In spite of these immense resources, Russia has remained a backward country for centuries, except for a few brief periods, such as the reigns of Peter the Great and Catherine. Russia was a negligible factor in European or world politics. It was her continentality and climatic inaccessibility which prevented a stronger power from absorbing her.

The advent of the Soviet régime has brought about a fundamental and spectacular transformation of the country's economic life. The author gives a sketchy account of the system of government and the two five-year plans. Pioneering developments have characterized Soviet agriculture and industry, stepping up production; Soviet science and enterprise are constantly bringing in the remoter and less useful areas under tillage. Between 1913 and 1940 the area sown rose from 262 to 373 million acres and Russia is today the world's largest producer of rye, barley, oats, potatoes and probably wheat.

In regard to industry, Soviet achievement has been phenomenal. Their industrialization started from the scratch and if they have not yet reached their goal of becoming Europe's Number One industrial power, they are well on the way to it. Between 1913 and 1938 Russia's industrial production increased 900 per cent. and she did lead Europe in regard to several important commodities.

The development of Soviet transport has been comparatively slow. The essence of the two five-year plans was that priority was given to certain items, such as heavy industry, oil and housing. Indeed, the Moscow subways are the most magnificent in the world and the Donetz coal area is covered by a thick network of railways and the North Sea route has been developed at great cost. But, on the whole, transport facilities in Russia still lack a great deal. The Trans-Siberian Railway takes nine and a half days to reach Vladivostok!

World War II has proved conclusively to a doubting world that Soviet Russia is a top-ranking economic and military power. 'Soviet rail-roads did not break down under the strain of war. Regions accounting for nearly 70 per cent. of the key industries were engulfed by the invading Nazis, but before

they fell Soviet engineers performed a near miracle by transplanting entire industries a thousand miles to the Urals with the loss of as little as four months' production in many cases.' (p. 247). The great bulk of military supplies was produced by their own men in their own factories. 'It was Russian planning and Russian equipment that won the victories of Leningrad, Stalingrad and Moscow.' (p. 247).

In the aftermath of war Russia needs large quantities of machinery, plants and transport equipment in order to rehabilitate vast tracts twice devastated by war within four years. Russia therefore is a potential market for American heavy industries. In recapitulating the assets of national greatness, the author has discussed a fantastic 'heartland' idea. He comes to the conclusion that though Russia has the potential for becoming a world power, the U.S.A. has it in an even greater degree. His final plea for a closer American understanding of the U.S.S.R. is undoubtedly refreshing.

(Miss) V. A. MADHAVI

MINORITIES IN THE ARAB WORLD. By A. H. Hourani. 1947  
(London: Issued by the Royal Institute of International Affairs. Oxford University Press. 10s. 6d.)

The problem of minorities is an inevitable and painful consequence of the growth of nationalism, and it will persist as long as the nation-State remains the basis of political organization. 'In the long run,' M. Hourani rightly says, 'there is only one way in which the problem of minorities can be solved: majority and minorities must form a "community" with one another, must learn to respect and trust one another, and on the basis of trust and respect work together for common ends. There must be what M. Maritain calls "fellowship" between them. . . . Both majority and minorities must be conscious that their loyalties and duties do not stop at the limits of their racial or religious group, and that every human community must, if it would avoid falling into mortal sin, make itself the servant of something higher than itself.' This sublimation of political consciousness is not an easy or swift process. Accidents of history obstruct or destroy its growth, and external influences also may upset an equilibrium of majority and minority interests that has been achieved. In the Arab World European interference deprived the 'millet' system of the Ottomans of whatever legal and actual validity it possessed, and political ingenuity has not succeeded in devising a better substitute than written guarantees of minority rights. But these have nowhere provided a basis for 'fellowship.' On the contrary, they have induced minorities to entrench themselves within their rights and resist the unifying tendencies of even an enlightened nationalism. The majority, on their part, have tended to lose faith in the appeal of 'fellowship,' and to rely on the social and political pressure exerted by supra-national organizations and ideas. The Pan-Arab movement, and the revival of Pan-Islamism in Egypt, whatever they might imply in the larger setting of world politics, can be taken to mean that the guarantees directly or indirectly offered to minorities by friendly or interested foreign powers have failed to promote 'fellowship' and understanding between majorities and minorities in the Arab world. It is too early yet to predict where the reaction to foreign interference will lead to.

The effort to build up modern governments and administrations is still far from reaching its end: the consequence is a general instability of political life, of which the unsatisfactory relationship between governments and minorities is an important aspect.

M. Hourani's book, issued under the auspices of the Royal Institute of International Affairs, is a precise and convincing statement of the origins and present nature of the problem of minorities in Egypt, Palestine, Trans-jordan, the Levant States Lebanon, Syria, and Iraq. It gives all the relevant statistics and other important details, and is remarkably fair and balanced even in its generalizations. It will serve as an extremely useful hand-book to all who desire the minimum of necessary information on this subject and would also be a good introduction for those who plan further study. A critical bibliography would have made it even more valuable.

M. MUJEEB

**FREEDOM FROM WANT.** By Edward Charles. 1945 (London: Royal Institute of International Affairs. 1s.)

This is No. 5 of the 'Looking Forward' series of pamphlets on international aspects of post-war reconstruction published by the Royal Institute of International Affairs. The pamphlets, as their General Editor points out, are concerned with basic issues and are intended to stimulate thought and discussion. The basic problem with which the present pamphlet is directly concerned is that of food and agriculture—the subject of discussion in the Hot Springs Conference of May 1943. But obviously no adequate treatment of the international aspect of food and agriculture is possible without a reference to the other aspects of the world economy. The problem of food and agriculture is intimately connected with money and employment, trade and investment and various other matters. Hence we have here an introduction to the International Monetary Fund and the International Bank, and also suggestions concerning the possible functions of an International Trade Commission, besides the more direct issues concerning the prospects of agriculture and the possibilities of commodity controls. It is good that our author has taken this comprehensive outlook on his subject. His reflections on international collaboration are sober and are well worth carrying to proper quarters. 'The necessary international control' our author says 'must involve some surrender of each State's sovereign authority.' And yet he does not forget to mention that 'it may be natural that closer cooperation will arise between countries geographically and economically more closely related to each other than the rest,' and that 'such cooperation, if confined to legitimate limits, would be to the general advantage.'

**INTERNATIONAL TRADE.** By G. A. Duncan. 1946 (London: Royal Institute of International Affairs, 1s.)

No. 7 of the series, *International Trade* brings out, in a remarkably concise form, the fundamental economic realities that underlie international trade, and argues in favour of freeing it from short-term political considerations. The author dismisses the various arguments so often brought forward for

protection as either ill-conceived or not far-seeing enough. In this he is in good company. The broad significance of the policy of free trade still holds and does no doubt require hammering at a time when, in spite of the United Nations Organization with its proclaimed policy of international economic cooperation, even the best placed country is found not to be 'playing the game' in international trade and investment. Our author rightly points out that 'international trade consists of an economic substratum overlaid by a political scum.' And yet it appears and needs mention that his advocacy for free trade is a little out of place in the context of a region whose economy is in an *artificially* low level. While our author rightly emphasizes the need for a free flow of investment to 'backward areas,' it is doubtful if just an access to foreign capital, unless it is supplemented by a little protection, of whatever variety it might be, would go far towards creating conditions for the economic progress of those areas.

A. K. DAS GUPTA

### OTHER BOOKS

A PLEA FOR THE MIXED ECONOMY. By M. R. Masani. 1947 (Bombay: The National Information and Publications Ltd. As. 12)

The theme of the pamphlet is: During the war India's agricultural and industrial output has fallen. We must therefore make 'a religion of production'. Equitable distribution is desirable but production must have the priority. Nationalization is not the solution because (1) the growth of income in U.S. S. R. has been much less than in some of the capitalist (democratic according to the author) countries; (2) the cost of securing capital will be greater under State enterprise; (3) labour will be less efficient as shown by the coal-mining industry in Britain, gas and electricity works in France etc.; (4) it will lead to totalitarianism (as in the U. S. S. R.) and not to democratic socialism. Some amount of nationalization is yet conceded and a brief outline of a mixed economy for India is given consisting of (1) State ownership and management of a small sector of existing industries, (2) fresh public enterprises and (3) the potential largest sector of free enterprise....Pageful quotations have been cited in support of a scathing condemnation of the U. S. S. R. economy. The obsolete 19th century arguments against State enterprise have been repeated. Consistency demanded an all-out support for free enterprise, which every one knows stands condemned.

A. B. GHOSH

OUR HERITAGE. By Humayun Kabir. 1946 (Bombay: The National Information and Publications Ltd. Rs. 4)

Prof. Humayun Kabir is a prominent thinker, writer, and speaker. The promise of his youth as a first class Oxford Graduate has been amply fulfilled in his later years of manhood. He is intimately known to the reviewer as a fellow-member for several years of the Bengal Legislative Council of which he was a most influential member by his powers of debate and eloquence. But it was not the eloquence or rhetoric of words, but of facts, figures and



statistics which he always brought to bear upon his arguments with his scientific mind.

In the present work, the author presents a view of Indian culture as a synthetic system, a comprehensive complex made of diverse elements fused into the harmony of an organic whole. As he rightly points out, India is too vast a country to lend itself to a simple formula for an interpretation of its civilization which shows so many different stands woven into its fabric. Although India presents so many differences of caste and creed, culture and community, Mr. Kabir very truly states: 'And yet there is a unity of spirit underlying the multiform manifestations of Indian Life.' To prove the truth of his thesis, he cites the following examples of India's fundamental unity through ages: 'In architecture and sculpture, music and painting, in social habits and popular beliefs, the fusion of old and new created forms in which the contribution of the two are inextricably mixed. In a word, the mentality of the Moslem and the Hindu was so fused in the various manifestations of Indian genius that anybody who prides today in the unadulterated purity of his Hindu culture or his Moslem heritage shows a lamentable lack of historical knowledge and insight.'

The book is divided into three parts: (1) Aryan Synthesis, (2) Medieval Reconciliation and (3) Modern Ferment.

Although the ideal of India Undivided has been submerged by the political division of India into two independent dominions, that is all the more reason why all Indians, irrespective of their political and administrative separation, should cultivate as their supreme civic duty the view of the oneness of India as a whole, based upon her unmistakable geographical unity as the foundation upon which has been built up the enduring structure of cultural unity enriched by contributions derived from a variety of cultural elements supplied by different races and social systems.

Much of the literature presenting the ideal of Indian unity has been no doubt rendered obsolete and out of date by the recent revolutionary changes affecting India's age-old political structure, but Mr. Kabir's work has an abiding value for those who are still worshippers at the shrine of India's integral unity.

RADHAKUMUD MOOKERJI

**PROBLEM OF DEMOCRACY IN INDIA.** By Shantiprasad Varma.  
1946 (Delhi: S. Chand & Co. Rs. 7/8)

*Problem of Democracy in India* is a respectable volume of 450 pages, containing twelve chapters of interesting matter and a useful appendix. It is a valuable contribution to the study of Indian politics and perhaps it is the first of its kind to have been published after the announcement of 16 May, 1946. Prof. Varma has attempted in this book a study of the outstanding political problems of India, in a manner attempted by very few before or after him. The study is scholarly, critical and constructive.

The book has been divided into three parts—the first and second parts state the problem of Hindu-Muslim and Indo-British relations in all its aspects

and the third suggests a solution which, according to the author, may assume the form of either a partition or federation of India.

In the twelve chapters of his book the author has discussed some of the most relevant and vital facts of our political life today with a freshness of outlook, a clear perception of the historical background and a mastery of detail that make the work valuable indeed. Starting with an analysis of the Hindu-Muslim relations on historical lines, the author comes to the genesis of communalism and communal representation in India. He shows how that had culminated in the formation of the Muslim League and how the Muslim League had adopted Pakistan as its political goal. As an offset to this story, has been depicted the genesis of Indo-British relations, Indian nationalism, and Congress with its hold on the masses, concluding with the deadlock that became inevitable in course of time. In the course of this discussion the author has, with much clarity and insight, pointed out the elements of strength and weakness in the Indian nationalist movements—the Congress and the League, *vis-a-vis* the British Democracy and Imperialism, the real strength of which is not often fully appreciated in India.

In the third part of the book Prof. Varma offers a solution of the political deadlock in terms of united and federated India after having pronounced Pakistan as undemocratic and undesirable. He has set forth his conclusions after a critical examination of the possibilities of Pakistan, and has envisaged a democratic federal constitution for India after an examination of the merits and demerits of the constitutions of Switzerland and U. S. S. R. Unfortunately the book had been published before Pakistan was accepted as the political goal of Muslims by the British Government and Congress and that appears to be the only drawback of the book since it comes as a factual refutation of all that has been said against Pakistan by the author, and for that matter by any body else. It is a pity Prof. Varma did not wait a few more months to study the form and objective of 'Direct Action' of the League and its reaction on India and its result. He would have been disillusioned and would not have said that, 'Pakistan...has arisen out of Muslim desperation and agony' and would not have asked the Hindus 'to rise to the occasion and even at the cost of sacrifice of some political power to give to their Muslim brethren the greatest amount of assurance, and for the sake of assurance, to weave it into the constitutional machinery of India' (Page 255). Prof. Varma would himself see the futility of his own vision from the vistas of facts. It is a matter of common knowledge that Pakistan has arisen not as the learned author asserts 'out of Muslim desperation and agony' but out of the backing of the British and opportunism of Mr. Jinnah.

At any rate there may be differences of opinion on many matters that the author discusses, but that does not detract from the worth of the book, which is one of the most valuable, critical and highly documented works on the subject of present-day Indian politics.

H. N. SINHA

**STABILIZATION OF AGRICULTURAL PRICES IN INDIA.** By P. C. Malhotra. 1946 (Delhi: S. Chand & Co. Rs. 2/8.)

Mr. Malhotra writes on a topic which is of vital importance for our country. Since the book was written, the Price Sub-Committee Report has come out, and steps are being taken towards implementing the recommendations of the committee. Mr. Malhotra's analysis is in line with those recommendations. In a small compass Mr. Malhotra has succeeded in bringing out the chief problem connected with price stabilization. It is to be admitted that agricultural prices, particularly food prices, form the pivot of the price structure in our country, and that direct measures other than general monetary control are necessary for the stabilization of these prices. At the same time the warning is in point that 'supplementary measures like processing of agricultural produce, marketing reform, crop insurance must accompany the policy of stabilization of agricultural prices'.

The monograph contains a valuable appendix giving an account of the experience of certain foreign countries in price stabilization.

**INDIA'S WAR ECONOMY.** By Vyas Dev Misra. 1946 (Delhi: S. Chand & Co. Re. 1/8)

There has been a considerable volume of literature on war economy in India. And the present small pamphlet is an addition to it. It is doubtful, however, if it has gone to enrich this literature. The facts presented are commonplace and there is not much of analysis in any of the chapters. The style is immature and the approach to the various problems stereotyped. The pamphlet contains a Foreword from Dr. B. N. Ganguli. One wonders why Dr. Ganguli should not have advised his pupil to take up a specific problem with a narrower range and to work on it patiently, instead of encouraging him to rush into print with whatever came his way.

A. K. DAS GUPTA

**POLITICS AND SOCIETY.** By Shahid Pravin. 1946 (Baroda: Padmaja Publications, Rs. 5)

A brief note on the jacket describes the author as young. For both ill and well this book reflects youthfulness—its ambition, ~~the~~ inexperience and originality of outlook.

The introduction says that the aim of the 175 pages which follow is 'to present an ideology, a solution to some of our most baffling problems and a programme of political and social organisation' which will appeal alike to all parties. For the most part the book gives one the impression of being a collection of undigested classnotes. But the fact that the author has tried to point to a new road of 'social politics' indicates an attitude of mind which our more mature leaders would do well to cultivate.

The author's thesis is vital: 'to solve the destiny of 400 million people'. He should, therefore, have treated it more seriously to avoid linguistic imperfections and printing mistakes. The book is otherwise well got up.

(MRS.) MEENAKSHI CHOPRA

**BOMBAY FINANCE, 1921—1946.** By T. M. Joshi. 1947 (Poona: The Gokhale Institute of Politics and Economics, Rs. 7/8/ or Sh.15).

Mr. Joshi's book is more or less a pioneering effort. No study of provincial finance in such detail has been attempted at any rate recently; and Mr. Joshi has dealt with his subject in a competent manner so that any reader will, on perusal of this book, get a fair picture of the state of Bombay's finances. His two historical appendices are particularly interesting. From the broader general point of view, however, some criticism of the contents and chapter headings will be valid. Bombay's record in financial administration during the period that has been covered has to be judged not by itself but in relation to what other provinces have achieved or failed to achieve during these years. In other words, now that a compact and well-knit federation has been achieved, the main interest of the student of public finance will be to assess the financial strength of Bombay relatively to that of other provinces, and to find out how its expenditure on nation-building departments stands in relation to the desirable national minimum. Mr. Joshi's book does not attempt anything like this: another noticeable omission is that the book pays little or no attention to the State-trading activities of the Bombay Government. He could and should have drawn more freely on the Finance and Appropriation Accounts of the Bombay Government. The Gokhale Institute should be able to give us some day this fuller study and perhaps they would then survey the finances of all the provinces.

R. K. SESIHADRI

**DELHI—CHUNGKING: A TRAVEL DIARY.** By K. P. S. Menon. 1947 (Bombay: Geoffrey Cumberlege, Rs.12).

A brilliant delineation of his 125-day travel in 1944 by the overland route to Chungking via Turkestan and Sinkiang. His keen observation of men and nature and their vivid and precise description, his scholarly strolls into their historical aspects, his learned references to the experiences of Fa Hien, Hsuan Tsang and other earlier pioneer travellers and his philosophical reflections on the vicissitudes in the fortunes of the countries he trekked across make the diary an extremely fascinating and illuminating study. The concinnity of expression establishes a new reputation to the gifted author. It is one of the few books which everyone interested in, to quote Pandit Nehru, 'a greater understanding of the past and the present of Asia' should go through.

C. KONDAPI

**WOMAN AND SOCIETY.** By N. A. Sarma. 1947 (Baroda: Padmaja Publications, Rs. 4).

The author makes a scientific appraisal of the status of woman in society generally and in India with particular reference to the abnormal character of the circumstances which led to the recognition of the principle of equality and to the need to recognize woman's inherent right to equality with its inexorable logical impact on the current conceptions of social morality in marital and sexual relations.

**FREEDOM COME.** By Harindranath Chattopadhyaya. 1947 (Bombay: Nalanda Publications, As.12, Sh.1/6, \$.25.)

**FEATHERS IN THE ARROW.** By Cedric Dover. 1947 (Bombay: Padma Publications, Re. 1/8).

**THE INDIAN JOURNAL OF AGRICULTURAL ECONOMICS.** (Organ of the Indian Society of Agricultural Economics) Vol. II, No. 2, August 1947, M. L. Dantwala, Managing Editor, Bombay.

This is a Conference number containing the Inaugural, Welcome and Presidential Addresses besides scholarly contributions on costs in relation to size of farms, methods and objects of rural surveys, problems of rural credit and abolition of Zamindari submitted by specialists as papers to the Conference. The papers on the abolition of Zamindari have topical interest in view of the proposals in this direction on the anvil of the legislatures in Madras, United Provinces, Bihar and other provinces. The Journal also contains very useful information on the constitution of the Indian Society of Agricultural Economics and a list of papers on the subjects discussed at the previous conferences.

#### ARTICLES ON INDIA IN FOREIGN PERIODICALS

##### *Cultural*

**INTER-ASIAN RELATIONS.** By Iqbal Singh, *The Fortnightly*, September 1947.

An interesting appraisal of the implications of Asia's emergence from a stage of tutelage into freedom with initiative and of consequent change in the balance of relations between the East and West. The author discusses the work of the conference in this context, particularly as a partial consummation of the idea of Asian unity.

**PERSONALITIES AT THE ASIAN RELATIONS CONFERENCE.**

By J. A. McCallum, *The Australian Quarterly*, September 1947.

Brief, racy and impressive sketches of some distinguished delegates whom the writer had met during the Asian Relations Conference.

**THE ASIAN RELATIONS CONFERENCE: The Group discussions.**

By Gerald Packer, *The Australian Outlook*, June 1947.

An objective survey of the Group Discussions and Rapporteurs' Reports of the Asian Relations Conference on (i) National Movements for Freedom (ii) Racial Problems and Migration (iii) Economic Policy and (iv) Cultural Problems.

**INDIAN STUDENTS ABROAD.** By Pavitra Kumar Dutt, *The Asiatic Review*, October 1947.

A thoughtful examination of the Indian Government's policy of sending large numbers of students from India for studies abroad. After tracing this practice

of going abroad for studies from the third quarter of the last century and analysing the categories of studies for which they have been going, the author expresses his considered opinion that 'it would perhaps be a wiser policy if, in future, the Indians of maturer minds and of proved merit and capacity were persuaded to go abroad in greater numbers.'

*Political*

INDIA AND PAKISTAN, From a Special Correspondent, *The Asiatic Review*, October 1947.

A brief appraisal of the special significance of the three constitutional developments of the Hindu consent of Pakistan, the accession of most of the Indian States to either the Indian Union or Pakistan and acceptance by both the Indian Union and Pakistan of Dominion Status. He praises the statesman-like policy of Sardar Patel in regard to the Indian states and the adroit handling of the question by Lord Mountbatten and illustrates his thesis with apt quotations from the speeches of the two.

THE INDIAN ARMY. By Brigadier J. N. Chaudhuri, *The Asiatic Review*, October 1947.

A brief historical survey of the Indian Army divided into five periods together with a short indication of its tasks and problems in future consequent on the decision to partition India and her armed forces.

INDIA AND THE FUTURE. By John Coatman, *The Political Quarterly*, October-December 1947.

An extremely instructive discourse on the consequences of India's partition for the general pattern of world relations, with particular reference to the position of the Indian Ocean region, of which India constitutes the centre, and its defence. The writer rightly observes 'It is the simple truth that unless India and Pakistan, by wise statesmanship and self-restraint, manage to restore as working arrangements the essentials of the economic and military unity of the former British India, whose children and heirs they are, they are doomed to frustration at home, weakness in British Commonwealth counsels, and impotence in the world at large.'

INDIA IN SEARCH OF A FUTURE. By R. L. C. Footitt, *World Review*, August 1947.

A rambling survey of the constitutional developments in India and ill-informed assessment of their significance to India's future. The author discovers in native states stable factors in the situation and in the Indian communist party the proverbial red rag to a bull.

INDIA: TODAY AND TOMORROW. By Sir Percival Griffiths, *The Asiatic Review*, October 1947.

A factual survey of the Indian constitutional developments beginning with the Montagu announcement of 20 August, 1919 and ending with the British

policy statement dated 3 June, 1947, together with a brief examination of the contribution of each of the constitutional pronouncements during the last thirty years.

UNION OF INDIA. By Robert Holland, *International Journal*, Summer 1947.

An interesting survey of the implications of the British Cabinet Mission's plan, Premier Attlee's announcement in February 1947 and the Mountbatten plan together with an enthusiastic appraisal of the position and standpoint of the Indian Princes thereunder.

THE FUTURE OF INDIAN STATES. By Sirdar Ikbāl Ali Shah, *The Fortnightly*, August 1947.

The author surveys concisely the origin of the Indian states, their importance from the political and moral standpoints, their value in an Indian or Pakistan Federation and of their desire to remain completely sovereign. Making a brief reference to the constitutional relationship with the British Crown he concludes that Hyderabad and Travancore are entitled to declare Independence.

AN INDIAN CELEBRATION. By Margaret Paterson, *The Fortnightly*, October, 1947.

A vivid account of the colourful celebrations of Indian Independence Day on 15 August, 1947 on a tea garden in Assam.

THE PUNJAB'S PRICE FOR FREEDOM. *The New Statesman and Nation*, 6 September, 1947.

A courageous condemnation of insidious misrepresentation by the Tory press in Britain of the recent communal disturbances in the Punjab. The calm in other vast areas of the country is appropriately stressed. The attribution of the origin of the disturbances in the Punjab to the Sikhs sounds rather dubious.

THE TWO INDIAS. *The New Statesman and Nation*, 4 October, 1947.

A masterly analysis of the possible devious alternatives to transfer of power by the British to Indians and a forcible criticism of the ill-considered appeal of Pakistan to the Dominions for intervention.

VALEDICTION TO INDIA. *The Round Table*, September 1947.

The writer sets forth his reactions to the ending of British rule in India and attempts to give expression to what he calls 'some interim reflections upon the creation of Pakistan.' The author sees 'much that is sound as well as noble' in the view of a section of British opinion 'which feels it a defeat and a betrayal of the highest national duty to have passed over our responsibility to hands less practised at least, and perhaps inherently less capable, than our own. Some would say, a betrayal of India to the politicians.' In spite of the shell-crusted reactionary outlook betrayed in this approach, hope may be derived from the writer's avowal that his reflections were only 'interim.'

THE INDIAN STATES. By V. S. Swaminathan, *The Contemporary Review*, August 1947.

A factual narrative of obvious and elementary facts about Indian states together with an eulogistic account of the Princes' contribution to war effort and their position under the Mountbatten plan.

THE INDEPENDENCE OF INDIA. By Phillips Talbot, *Foreign Policy Reports*, 15 June, 1947.

A scholarly and penetrating review of the economic, social and political conditions and events that culminated in the British decision to withdraw from India and an objective discussion of the complexities which India and Britain had to face in its wake.

INDIA'S BLACK MORNING. By Edmond Taylor, *New Republic*, 13 October, 1947.

The author makes a sympathetic attempt to find out the real causes for the tragic communal disturbances in the Punjab and other parts of India soon after the declaration of her Independence. He says that ultimately they were due to the sinister idea of Pakistan.

INDIA: RINGING UP THE CURTAIN. By Sir Alfred Watson, *The Asiatic Review*, October 1947.

Sir Alfred strikes a pessimistic note on the termination of the two hundred year old British rule in India. Deploing the decision to partition India, he refers to the important problem of Indian defence and stresses the necessity of the states to join either of the two Dominions.





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# THE CONSTITUTION OF THE UNION OF BURMA

By SIR B. N. RAU

THE Constitution of Burma which came into force on 4 January 1948, has many features of great interest to the constitution-maker. In form and content, in magnanimous treatment of special regions and racial groups, and in speed of enactment, it provides an example well worth our attention at the present time.

The writer of this article had the honour of being associated closely with the framers of the Constitution at almost every stage. The Constitutional Adviser of Burma came to Delhi in April 1947, for discussion and collection of materials; a first draft of the new Constitution was then prepared and he took it back with him to Rangoon in May. There it underwent certain modifications and its provisions as so modified were accepted in substance by the Constituent Assembly of Burma. A Drafting Committee was then appointed to give it final shape. The Committee sat for about a fortnight in August and September and completed its work in time for the final draft to be brought before the Constituent Assembly about the middle of September. The Constituent Assembly passed it on 24 September 1947, with a provision that it would come into operation on such date as the Provisional President might announce by proclamation. On 10 December 1947 the Parliament of the United Kingdom passed the Burma Independence Act recognizing Burma as an independent country with effect from 4 January 1948. Accordingly, this date was proclaimed for the commencement of the new Constitution. Thus, the whole process from start to finish, including the enactment of the Constitution and of auxiliary legislation (such as the Burma Judiciary Act) by the Constituent Assembly and of the Independence statute by the British Parliament occupied no more than about eight months, in spite of the interruption caused by the assassinations of July 1947.

The Constitution is bilingual in form as required by section 217: that is to say, two copies of it have been made, one in Burmese and the other in English, both of them signed by the President of the Constituent Assembly and kept for record in the office of the Registrar of the Supreme Court. Both are said to be 'conclusive evidence' of the provisions of the Constitution, so that neither by itself is the authoritative version and each will have to be interpreted in the light of the other.

Let us proceed to glance briefly at the contents of the new Constitution. The preamble runs:

WE, THE PEOPLE OF BURMA including the Frontier Areas and the Karenni States, Determined to establish in strength and unity a SOVEREIGN INDEPENDENT STATE, To maintain social order on the basis of the eternal principles of JUSTICE, LIBERTY AND EQUALITY and To guarantee and secure to all citizens JUSTICE social, economic and political; LIBERTY of thought, expression, belief, faith, worship, vocation, association and action;

EQUALITY of status, of opportunity and before the law, IN OUR CONSTITUENT ASSEMBLY this Tenth day of Thadingyut waxing, 1309 B. E. (Twenty-fourth day of September, 1947 A. D.), DO HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.

The phrasing is taken from the Objectives Resolution of the Indian Constituent Assembly passed in January 1947, while the final words are borrowed from the preamble to the Constitution of Ireland.

Chapter I relates to the form of the new Constitution. Burma is described as a sovereign independent Republic to be known as the Union of Burma, with sovereignty residing in the people. Symbolic of this Union is the national flag described in section 215, a rectangle of red with a canton of dark blue displaying a five-pointed large white star with five smaller similar stars between the points. Each of the small stars represents a special region of the Union: there are five such regions, namely, the Shan state, the Kachin state, the Karenni state, the Chin Division, and the rest of Burma which forms the central region. The large star stands for the entire union. The Constitution contains special provisions for the administration of each of the peripheral regions as well as of the entire union.

Chapter II deals with citizenship and fundamental rights. The citizenship provision is somewhat complicated, Burmese blood rather than birth on Burmese soil being the main test. As regards persons of non-Burmese blood, the conditions for citizenship are:—

- (1) They must have been born in territory which at the date of birth was British;
- (2) they must have resided in Union territory for a period of at least 8 years in the 10 years immediately preceding the commencement of the Constitution or immediately preceding 1 January 1942, this latter alternative being for the benefit of those who had to leave Burma during the Japanese occupation;
- (3) they must intend to make Burma their permanent abode;
- (4) they must signify their election of Burma citizenship in the manner and within the time prescribed by law.

Most of the Indians now in Burma were either born in pre-partition India or in Burma and their position needs attention. If the place where they were born was at the time of birth British territory, e.g., Chittagong or Madras, but not Travancore or Mysore, the first of the above four conditions is satisfied; if they satisfy the other three conditions as well, one of them being that they must elect Burma citizenship within a prescribed time, then and not otherwise, they become Burma citizens. If they do not elect to become Burma citizens, their nationality remains what it was. But if they do become Burma citizens, the position will be different. They will cease to be British subjects by virtue of section 13 of the British Nationality and Status of Aliens Act. And we may anticipate that they will not be eligible for initial citizenship of the new Indian

Union either. For, under the draft Indian Constitution, a person who, before the date of commencement of the new Constitution of India, acquires the citizenship of a foreign State is not an Indian citizen; it follows that if he has elected Burma citizenship, he cannot be an Indian citizen at the inception of the Indian Union, although it may be possible for him to become one later by naturalization. There is a demand among Indians in Burma that even if, for the time being, they elect to be Burma citizens, India should provide a specially easy mode of naturalization for them, if owing to changed circumstances they find it necessary later to migrate back to India. This is a matter which the framers of the naturalization law of India will have to bear in mind. Another matter worth notice concerns persons who, though born, say, in Chittagong (of parents and grand-parents also born in the same place) and having their permanent abode in Burma at present, do not elect to become Burma citizens. What is their nationality? They will retain their status as British subjects; but, assuming that India and Pakistan remain within the British Commonwealth, will such persons, besides being British subjects, be citizens of India or of Pakistan, their birth-place being now in Pakistan? Under the draft Indian Constitution, they can become citizens of India, provided they acquire a domicile in India before the commencement of the new Constitution, the principle adopted being that in order to qualify for citizenship of the Indian Union at its inception a person must have some kind of territorial connexion with the Union, whether by birth or descent or domicile. In the case put above, there is no such connexion by birth or descent—the birth-place of the persons concerned and their parents and grand-parents being in Pakistan territory—and therefore at least domicile in Indian territory must be established. For this purpose, the draft Indian Constitution provides special facilities in view of the existing difficulties. If the place of birth in the above case was, say, Madras instead of Chittagong and the persons concerned did not elect to become Burma citizens, they would, besides remaining British subjects, be citizens of India by birth.

The fundamental rights in the Burma Constitution follow closely, both in form and content, those recommended by the Advisory Committee of the Indian Constituent Assembly: rights of equality, rights of freedom, rights relating to religion, cultural and educational rights, economic rights and rights to constitutional remedies. Occasionally the phrasing is more cautious than that of the corresponding recommendation of the Advisory Committee: for example, the right to personal liberty is put in the form 'No citizen shall be deprived of his personal liberty *save in accordance with law*.' This follows the provision in the Irish Constitution. It is open to the criticism that it leaves the legislature free to make any law to curtail personal liberty. But we have to remember that Burma has a very difficult law-and-order situation to face and that conditions in the country, as evidenced by the assassinations of July 1947, are far from normal; they may have to be dealt with by exceptional measures; to fetter the discretion of the legislature in these circumstances may well have seemed to the framers of the Constitution to be unwise.

Freedom of religion is circumscribed by the salutary warning: 'The abuse of religion for political purposes is forbidden; and any act which is intended or



is likely to promote feelings of hatred, enmity or discord between racial or religious communities or sects is contrary to this Constitution and may be made punishable by law.'

Among the economic rights guaranteed is that of private property, but it is subject to the following important limitations:—

No person shall be permitted to use the right of private property to the detriment of the general public.

Private monopolist organizations, such as cartels, syndicates and trusts formed for the purpose of dictating prices or for monopolizing the market or otherwise calculated to injure the interests of the national economy, are forbidden.

Private property may be limited or expropriated if the public interest so requires but only in accordance with law which shall prescribe in which cases and to what extent the owner shall be compensated.

The right to move the Supreme Court by appropriate proceedings for the enforcement of any of the fundamental rights guaranteed by the Constitution is also guaranteed except in times of war or insurrection.

Chapter III deals with the relations of the State to peasants and workers and contains the interesting provision that the State is the ultimate owner of all land. There is nothing revolutionary in this doctrine, because even in England all land is ultimately held of the Crown. More striking is the provision:

There can be no large land holdings on any basis whatsoever. The maximum size of private land holding shall, as soon as circumstances permit, be determined by law.

Chapter IV contains certain directive principles of State policy which are recommended for the general guidance of the State, but are not enforceable in any court of law. They are in the nature of moral precepts for the State authorities and are open to the facile criticism that the Constitution is not the place for moral precepts. But they have an educative value and most modern Constitutions do lay down general principles of this kind. They correspond to the Instrument of Instructions with which we are familiar in the Indian Constitution; only, instead of being addressed to the Governor-General or the Governor, they are addressed to all State authorities, legislative or executive. The directive principles embodied in the Burma Constitution are on the lines indicated in one of the pamphlets prepared for the Indian Constituent Assembly with certain significant additions. Among the main additions are the following:—

The State shall ensure disabled ex-Servicemen a decent living and free occupational training. The children of fallen soldiers and children orphaned by war shall be under the special care of the State.

The economic life of the Union shall be planned with the aim of increasing the public wealth, of improving the material conditions of the people

and raising their cultural level, of consolidating the independence of the Union and strengthening its defensive capacity.

The State shall direct its policy towards giving material assistance to economic organizations not working for private profit. Preference shall be given to co-operative and similar economic organizations.

The State shall direct its policy towards operation of all public utility undertakings by itself or local bodies or by people's co-operative organizations. The State shall direct its policy towards exploitation of all natural resources in the Union by itself or local bodies or by peoples' co-operative organizations.

Chapter V deals with the President's office. The Head of the Union is the President, elected by both Chambers of Parliament in joint session by secret ballot. He holds office for five years and is eligible for re-election, but no person may be President for more than two terms in all. He must be a citizen of the Union, who was, or both of whose parents were, born in Union territory. He may be impeached for high treason, violation of the Constitution, or gross misconduct. The charge is to be preferred by one of the two Chambers and investigated by the other; the resolution preferring the charge as well as the resolution declaring it proved requires a two-thirds majority; the latter resolution operates to remove the President from office.

The President is intended to be a constitutional head, acting for the most part on the advice of the Union Government, which consists of the Prime Minister and his colleagues. There are, however, certain exceptional matters in which the advice of the Government is not required or is not sufficient. Among these exceptional matters are the following:—

- (1) The President has to appoint the Prime Minister on the nomination of the Chamber of Deputies.<sup>1</sup>
- (2) When the Prime Minister has ceased to retain the support of a majority in the Chamber of Deputies, the President may refuse to prorogue or dissolve the Chamber on his advice; but in that event, he must forthwith call upon the Chamber to nominate a new Prime Minister and if the Chamber fails to do so within 15 days, it must be dissolved.
- (3) The President cannot declare war except with the assent of the Parliament; but the Government may take preliminary steps for the protection of the Union, and the Parliament, if not sitting, must be summoned to meet at the earliest possible date.
- (4) All the Judges of the Supreme Court and the High Court have to be appointed by the President with the approval of both Chambers of Parliament in joint sitting.

There is no Vice-President for the Union. Should the office of the President fall vacant, his functions are to be exercised by a Commission consisting of the Chief Justice of the Union, the Speaker of the Chamber of Nationalities and the Speaker of the Chamber of Deputies.

<sup>1</sup> This is, of course, previous to the formation of a new Government.

The legislative power of the Union is vested in the Union Parliament which consists of the President, the Chamber of Deputies (the lower House) and the Chamber of Nationalities (the upper House). Parliament must meet at least once in every year and at intervals of less than twelve months. There is an enabling provision for payment of members. Any property qualification for membership of Parliament or for the parliamentary franchise is prohibited; so too any disqualification on the ground of sex, race or religion, except that members of any religious order may be debarred by law from standing for election or voting. Every citizen who has completed the age of 21 years and who is not placed under any disability or incapacity by the Constitution or by law is eligible for membership of Parliament. Every citizen who has completed the age of 18 years and who is not disqualified by law (e.g., on the ground of insolvency or unsoundness of mind, or crime) has the right to vote at parliamentary elections. Voting is to be by secret ballot. Electoral districts are to be equal as far as possible; more precisely, 'the ratio between the number of members to be elected at any time for a constituency and the population of that constituency as ascertained at the last preceding census shall, so far as practicable, be the same for all constituencies throughout the Union, except in the case of the constituencies of the special Division of the Chins and the Karenni state, in respect of which the ratio may be higher.' Polling at every general election must be on the same day throughout the Union.

The Chamber of Nationalities consists of 125 members and the Chamber of Deputies about twice that number. Representation to the Chamber of Deputies is on the basis of population. The population of Burma being about 17 million, a total membership of 250 would mean one member for every 68,000 of the population, which is about half-way between the maximum and minimum limits laid down in the Constitution. The normal life of the legislature is 4 years, a dissolution of the Chamber of Deputies operating also as a dissolution of the Chamber of Nationalities. The composition of the Chamber of Nationalities is prescribed in a Schedule to the Constitution. Of the 125 seats in that Chamber, 25 are allotted to the Shan state, 12 to the Kachin state, 8 to the special Division of the Chins, 3 to the Karenni state, 24 to the Karens and the remaining 53 to the remaining territories of the Union. All the representatives from the Shan state in the Chamber of Nationalities are to be elected by the *Saohpas* or Chiefs of the Shan state from among themselves; the *Saohpas* are not eligible for membership of the Chamber of Deputies. There are similar provisions for the Karenni state.

Money Bills can be initiated only in the Chamber of Deputies. Every such Bill, after being passed by the Chamber of Deputies, is to be sent to the Chamber of Nationalities for its recommendations. If it is not returned by the Chamber of Nationalities to the Chamber of Deputies within 21 days or is returned within that period with recommendations which the Chamber of Deputies does not accept, it is deemed to have been passed by both Chambers at the expiration of that period. Other Bills may be initiated in either Chamber; if one Chamber passes it and the other Chamber rejects or fails to pass it or passes it with amendments to which the Chamber where the Bill originated will not agree, the Presi-

dent has to convene a joint sitting of the two Chambers and if it is passed by a majority of the total number of members of both Chambers present and voting, it is deemed to have been passed by both Chambers.

Chapters VI and VII deal respectively with the Union Parliament and the Union Government. The Burma Constitution follows the Constitution of Ireland in seeking to reduce to statutory form the conventions of responsible government. The provision relating to the appointment of the Prime Minister has already been mentioned as also one of the provisions relating to dissolution: the former certainly differs from the convention in England and so too, probably, the latter.<sup>1</sup> The following other provisions may also be noticed in this connexion:—

115. The Government shall be collectively responsible to the Chamber of Deputies.

117. (1) The Prime Minister may resign from office at any time by placing his resignation in the hands of the President.

(2) Any other member of the Government may resign from office by placing his resignation in the hands of the Prime Minister for submission to the President and the resignation shall take effect upon its being accepted by the President under the next succeeding sub-section.

(3) The President shall accept the resignation of a member of the Government other than the Prime Minister, if so advised by the Prime Minister.

118. The Prime Minister may, at any time, for reasons which to him seem sufficient request a member of the Government to resign; should the member concerned fail to comply with the request, his appointment shall be terminated by the President if the Prime Minister so advises.

119. The Prime Minister shall resign from office upon his ceasing to retain the support of a majority in the Chamber of Deputies unless on his advice the President dissolves the Parliament under section 57 and on the re-assembly of the Parliament after the dissolution the Prime Minister secures the support of a majority in the Chamber of Deputies.

120. (1) If the Prime Minister at any time resigns from office, the other members of the Government shall be deemed also to have resigned from office, but the Prime Minister and the other members of the Government shall continue to carry on their duties until their successors shall have been appointed.

The distribution of legislative power between the Union and the Units is, subject to certain exceptions, on the Canadian model: that is to say, there are only two Legislative Lists, a Union List and a State List, any matter not enumerated in the latter being allocated to the former. Thus, what is called the residuary power belongs to the Centre. Broadly speaking, the subjects which in the present Indian Constitution fall in the Provincial Legislative List fall

<sup>1</sup> See, for example, Sir Maurice Amos *The English Constitution* 1930, Pp. 106-8.

under the Burma Constitution in the State List and the rest in the Union List. Any State Council (which is the name of the state legislature) may by resolution surrender any of its powers or territories to the Union.

Chapter IX deals with the states and other semi-autonomous areas. There are at present three states with special Councils for legislating on state subjects: the Shan state, the Kachin state and the Karenni state. For the rest of the Union, comprising by far the larger part of its area, the Union Parliament is the only legislature, whether the subject be in the Union List or not. It is as if the larger part of India, under the present Constitution, consisted of Chief Commissioners' Provinces or as if the larger part of the United States of America consisted of *Territories* instead of 'States.' Another noteworthy feature of the Burma Constitution is that each State Council consists entirely of the representatives of the particular state concerned in the Union Parliament. In other words, what may be called the State Committee of the Union Parliament is the legislature of the state for purely state subjects. It will be remembered that in the British Parliament, Bills relating exclusively to Scotland are referred to a Grand Committee including all the Scots members; the Burma Constitution has adopted the same idea. And just as there is a Secretary of State for Scotland in the British Cabinet to deal with Scottish affairs, each of the above states in Burma has a special Minister in the Union Cabinet to deal with the affairs of the state. Thus, section 160, which relates to the Shan state, provides:

A member of the Union Government to be known as the Minister for the Shan State shall be appointed by the President on the nomination of the Prime Minister acting in consultation with the Shan State Council from among the members of the Parliament representing the Shan State.

The Minister so appointed is also the executive head of the state. In other words, just as the representatives of the state in the Union Parliament constitute the legislature for the state in matters of local concern, so too the representative of the state in the Union Cabinet is the executive head of the state in such matters. The head of the state is required to consult the State Council in all matters relating to the state and in order to facilitate this consultation, the State Council is required, at its first meeting after a general election, to elect from among its members or otherwise a Cabinet of State Ministers to aid and advise the head of the state in the exercise of his powers.

Besides the State Legislative List, the Constitution contains a State Revenue List, the object of which is to indicate what sources of revenue are to be allocated to the states. It may happen that although for purposes of legislation a subject falls in the Union List, the revenue arising from it must be allocated to the states, as in the case of forests. Besides the revenues allocated to the states, the Union may make grants to the states out of its own revenues upon the recommendation of any Board or other authority appointed for the purpose.

In addition to the three states named above, there are two special areas known respectively as the Kaw-thu-lay Region and the Chin Division. Each of these

areas, though not a regular state with powers of legislation, has a considerable measure of regional autonomy. Thus, section 197 provides:

197. (1) A Chin Affairs Council shall be constituted consisting of all the members of the Parliament representing the Chins.

(2) A member of the Union Government to be known as 'the Minister for Chin Affairs' shall be appointed by the President on the nomination of the Prime Minister, acting in consultation with the Chin Affairs Council, from amongst the members of the Parliament representing the Chins.

(3) Subject to the powers of the Union Government:—

(i) the general administration of the Special Division and in particular all matters relating to recruitment to the civil services in the Special Division, to postings and transfers, and to disciplinary matters relating to these services, and,

(ii) all matters relating to schools and cultural institutions in the Special Division

shall be under the superintendence, direction and control of the Minister for Chin Affairs.

(4) The Chin Affairs Council shall aid and advise the Minister in the discharge of his duties.

(5) Any member of the Council who shall have ceased to be a member of the Parliament shall be deemed to have vacated his seat in the Council but he may continue to carry on his duties until his successor shall have been elected.

One significant limitation on the autonomy, whether of states or of the other special areas mentioned, is expressly prescribed in the Constitution:

No military, naval or air forces, or any military or semi-military organization of any kind (not being a police force maintained under the authority of any unit solely for duties connected with the maintenance of public order) other than the forces raised and maintained by the Union with the consent of the Parliament shall be raised or maintained for any purpose whatsoever.

It is important to distinguish the Karenni state from the Karen state, of which one often reads in the daily press. The Karenni state consists of three small principalities which in the old days were non-British territory, rather like the smaller Indian states in India; these principalities now form a single state and a unit of the Burma Union. But the Constitution also provides for the ultimate creation of a larger state to be known as the Karen state: this is to consist of the existing Karenni state and the special Region of Kaw-thu-lay which was part of British Burma. This larger state is to be constituted if the majority of the people of these areas and of the Karens living in Burma outside these areas so desire. The demand for the larger state is therefore not to be regarded

as an attempt to disrupt the Union; on the other hand, it is something which is recognized and provided for in the Constitution itself.

The procedure for amendment of the Constitution is laid down in Chapter XI. Every proposal for the amendment of the Constitution has to be in the form of a Bill.

209. (1) Such Bill may be initiated in either Chamber of Parliament.

(2) After it has been passed by each of the Chambers of Parliament, the Bill shall be considered by both Chambers in joint sitting.

(3) The Bill shall be deemed to have been passed by both Chambers in joint sitting only when not less than two-thirds of the then members of both Chambers have voted in its favour.

(4) A Bill which seeks to amend --

(a) the State Legislative List in the Third Schedule, or

(b) the State Revenue List in the Fourth Schedule, or

(c) an Act of the Parliament making a declaration under paragraph (iv) of sub-section (1) of section 74 removing the disqualification of any persons for membership of the Parliament as representative from any of the States shall not be deemed to have been passed at the joint sitting of the Chambers unless a majority of the members present and voting, representing the State or each of the States concerned, as the case may be, have voted in its favour.

(5) A Bill which seeks to abridge any special rights conferred by this Constitution on Karens or Chins shall not be deemed to have been passed by the Chambers in joint sitting unless a majority of the members present and voting, representing the Karens or the Chins, as the case may be, have voted in its favour.

Thus, the interests of the states and other special areas are sufficiently safeguarded.

The Judiciary is dealt with in Chapter VIII of the Constitution, which provides for a Supreme Court and a High Court. The Supreme Court is the court of final appeal and exercises appellate jurisdiction over the High Court and such other courts as the Union Parliament may by law prescribe. The High Court is the highest court of original jurisdiction, but may also exercise appellate jurisdiction over subordinate courts. The mode of appointment of Judges has already been mentioned. Qualifications are prescribed in the Constitution similar to those in the existing Indian Constitution. The age of retirement is not prescribed in the Constitution, but has been left, along with other matters such as remuneration and pension, to be prescribed, by a separate law to be made by Parliament. A Judge may be removed by the President for proved misbehaviour or incapacity, but only upon a resolution of both Chambers at a joint sitting after the charge has been investigated by a special tribunal of three members including the Speakers of the two Chambers.

The Supreme Court has in addition to its appellate jurisdiction an advisory

jurisdiction in respect of important questions of law referred to it by the President. The Constitution specifically provides that while the High Court may sit in the capital city of the Union, one or more Judges of the High Court must sit in such place in the Shan state as the President may, after consultation with the Chief Justice of the Union, from time to time appoint. Here, again, the solicitude of the framers of the Constitution for the interests of this state is evident.

It will be noticed from what has been said that the relationship between the Union and the Units in Burma is very close, closer than in Canada and much closer than in the U. S. A.; for, not only are the residuary powers vested in the Centre, but even the legislatures and the executive heads of the states are drawn from the Central Legislature and the Central Cabinet.

We now come to an unusual feature of the Constitution: the Union is not indissoluble. The Shan state and the Karenni state—but not the Kachin state—have been given the right to secede, but the right is not to be exercised during the first ten years of the Union. The procedure for secession is laid down in Chapter X thus:—

203. (1) Any State wishing to exercise the right of secession shall have a resolution to that effect passed by its State Council. No such resolution shall be deemed to have been passed unless not less than two-thirds of the total number of members of the State Council concerned have voted in its favour.

(2) The Head of the State concerned shall notify the President of any such resolution passed by the Council and shall send him a copy of such resolution certified by the Chairman of the Council by which it was passed.

204. The President shall thereupon order a plebiscite to be taken for the purpose of ascertaining the will of the people of the State concerned.

205. The President shall appoint a Plebiscite Commission consisting of an equal number of members representing the Union and the State concerned in order to supervise the plebiscite.

The first general election under the new Constitution is to be held within 18 months from the date of its coming into operation (4 January 1948). In the meantime, the Constituent Assembly will itself function as the provisional Union Parliament and there is also a Provisional President as well as a Provisional Government.

In all these different ways—by constitutional expedients, by sympathetic understanding and treatment of the problems of special areas, by generous dealing with sensitive minorities—Burma has not only averted any partition of her territories, but has fashioned them all into a close-knit unity. The 36 Shan states, the 2 Wa states, the 3 Karenni states, the Karen Region and the Chin Division, some of which threatened to break away at one stage and were a source of considerable anxiety, have been quietly and without fuss integrated along with the rest of Burma into a close Union. It is true that there is a qualified right of secession and other difficulties, not



yet suspected, may arise; but the magnanimity with which the Constituent Assembly elected one of the Shan Chiefs, first as its President and then as the Provisional President of the new Union augurs well for the future. The credit of this achievement belongs in large measure to Burma's great leader, the Bogyoke, whose assassination in July last filled the country with grief and anxiety. But the tragedy has only served to bind the Burmese people closer together and he rules them from the grave even more than he did during life.

And so the new Union has been launched. The captain and the crew are all young men full of high ideals and eager hope and India, which may claim in a sense to be their spiritual home, will watch their progress with sympathy and goodwill.

## AUSTRALIAN FOREIGN POLICY

*By* GERALD PACKER

### INTRODUCTION

THE object of this paper is to describe the principles underlying Australian foreign policy with particular reference to the countries of East Asia. There is some disagreement among Australian writers as to what constitutes the subject matter of foreign policy. Some urge that, as national States have always pursued the national interest, the end of Australian foreign policy is the security and independence of the nation and that the search is solely for the methods most likely to achieve that particular object. Furthermore, pointing to the limitations imposed by resources and numbers upon Australian power, they question whether an independent foreign policy designed to safeguard her vital interests can have any reality. Other commentators recognize that domestic policies in their economic and social aspects have an immediate bearing upon foreign relations, and conceive foreign policy as extending to all such matters. The latter view is accepted in this paper.

There are four main determinants of Australian action in external affairs, namely, the traditional identity of interest with Great Britain; the security of the continent and its adjoining islands; the established immigration policy and the economic policies of protection and imperial preference. The political parties are in broad agreement on these basic issues, although they may differ as to methods. An analysis of Australian external policy since Federation discloses continuity in the main conceptions, which have been but slightly modified in the course of time. The principal changes will therefore be briefly sketched in two phases, the period of relatively slow change between Federation and World War II, and the developments during and subsequent to World War II covering the Pacific War, the post-war settlements and the rapid transition in South-east Asia. In the first period the rise of Japan strongly influenced Australian thought and action. In the phase now commencing, the dominant position of the United States in the Pacific, the decline in British power and the

developments in South-east Asia are the main factors, the full effects of which cannot yet be gauged.

## CHANGES IN EXTERNAL POLICIES FROM FEDERATION TO WORLD WAR II

### *Imperial Relations.*

An acute American observer, Mr. Hartley Grattan, considers that, prior to World War I, Australia lacked a formal foreign policy. He says—

At the outbreak of the First World War, Australia's international situation was about as follows—whilst policies had been developed which had international implications, it was not considered that Australia had a foreign policy peculiarly her own; it was rather considered that the Australian policies were in harmony with the larger Imperial interest and as such, their support was part of the general Imperial task, not a unique and separate duty of Australia.<sup>1</sup>

Mr. Hartley Grattan has correctly appraised one element of Australian opinion which, because of the sentimental ties with Great Britain and of the financial nexus with London, has consistently exerted pressure to conform with the dominant British policy of the day. Nevertheless, even in pre-federation days, the Australian colonies made representations to the British Government to oppose encroachments by foreign powers in the Pacific area. As early as 1868, a French author satirically predicted that 'some day a new Monroe doctrine would prevent old Europe, in the name of the United States of Australia, from setting foot upon a single isle in the Pacific.' Australian representations were directed particularly at the annexation of New Guinea by the Germans and at French activities in the New Hebrides. The colonies were by no means reluctant to express their disapproval when their representations were disregarded.

The Constitution of the Commonwealth, inaugurated in 1901, conferred upon it powers in relation to matters such as fisheries in Australian waters beyond territorial limits, external affairs, and the relation of the Commonwealth to the islands of the Pacific. Nevertheless, Australia in company with the other Dominions, was not consulted in any way by the British Government in the fifteen years before World War I upon such vital matters as the Anglo-Japanese Alliance and the Franco-British Entente. At the Imperial Conference in 1911, the British Government undertook to consult in future with the Dominions whilst making it clear that, in the words of Mr. Asquith, 'the authority of the Government of the United Kingdom in such grave matters as the conduct of foreign policy, cannot be shared.'<sup>2</sup>

As World War I progressed, the Dominions, and in particular Australia through the Prime Minister, Hon. W. M. Hughes, demanded with increased insistence a share in the control of the operations of war and a partnership in the control of foreign policy. The Imperial War Conference of 1917 recorded the view that the Dominions should receive full recognition as autonomous nations of an Imperial Commonwealth, that they should have an adequate

<sup>1</sup> *Introducing Australia*, W. Hartley Grattan, 1942, p. 221.

<sup>2</sup> Duncan, *Australian Foreign Policy*, 1938—paper on 'Australia's Voice in Imperial Affairs', by Hon. R. G. Casey, p. 41.

voice in foreign policy and that they should maintain effective arrangements for continuous consultation in important matters of common concern. This change to equality in status was recognized by the admission of the Dominions as separate members of the League of Nations. Attempts were made in a series of post-war Imperial Conferences to codify the constitutional aspects of treaty making by the then autonomous Dominions. These developments culminating in the Statute of Westminster in 1931, proceeded further than Australian opinion desired. Australia drifted into Dominion status rather than sought it. For ten years after the signing of the treaty of Versailles, there was hardly a single first class debate on foreign affairs in the Commonwealth Parliament. The task of the Australian Government was not conceived as asserting Australia's status by a policy which differed from Great Britain. It desired rather to be heard as an equal in the Imperial Councils and to share in the framing of a foreign policy appropriate both to the common needs of all members and to Australian regional interests.<sup>1</sup> The significant point was that over this period Australia's regional interests were not seriously threatened and British defences in the Pacific were thought adequate to safeguard them. Australian action was limited to measures for the improvement of the machinery of inter-Imperial consultation. A liaison branch of the External Affairs Department was established in London in 1934. This department was itself expanded and reorganized as a separate department of State in 1935.

The successive crises of the nineteen-thirties, particularly the rise of Japanese power in East Asia, forced Australians to recognize their potential danger. It emphasized the need for a clear exposition of Australian vital interests in the Pacific Basin. There was a growing realization that British and Australian interests in the Pacific could diverge but that to Britain such interests were not vital in the sense that they were to Australia. Accordingly, Australian policy in regard to Pacific matters, whilst maintaining the British connexion, should be prepared to deal with circumstances in which the United Kingdom and other members of the British Commonwealth might be unable to give effective help.<sup>2</sup> The development of an Australian regional view within the Imperial system was retarded by other factors. Firstly, Australian views on Pacific matters were (and still are) strongly influenced by the fact that the Australian newspaper reader views the Pacific through British eyes. Not only a British view, but often the British official view, dominates the Australian newspaper account of Pacific affairs. Secondly, as one outside observer pertinently remarked,

New Zealand and Australia will be least inclined to decide for themselves what their obligations amount to—partly because there is no restiveness on any part of their population against which is interpreted elsewhere as British domination—partly because they do not flatter themselves that they are immune from all risk of invasion.<sup>3</sup>

As a result, there was little change in Australian outlook on world affairs between the two world wars. Whilst nominally subscribing to the idea of a

<sup>1</sup> *Australian Foreign Policy, op cit.*, article by Hon. R. G. Casey, p. 51.

<sup>2</sup> *Australian Foreign Policy, 1934*, paper by Professor A. C. V. Melbourne, p. 24.

<sup>3</sup> Mr. B. K. Long of South Africa in *Sydney Morning Herald*, 30 July 1937.

world community in the League of Nations, Australia in fact pursued a policy designed to foster an integrated Imperial structure rather than a regional system. In 1938, Mr. Hartley Grattan, in an attempt to define Australian national interests, was unable to extend beyond such general propositions as the maintenance of the Australian domestic economy and ability to export, the preservation of the British Commonwealth and the sea lanes with its members, the prosperity of Britain as her principal customer and so forth.<sup>1</sup> The recognition that Australia had primary responsibilities and primary risks in the Pacific and that the traditional approach through Britain was inadequate, was but slowly appreciated. The Prime Minister, Hon. R. G. Menzies, crystallized the somewhat limited opinion of the day in his policy speech, April 1939, in the following words:—

In the Pacific, Australia must regard herself as a principal, providing herself with her own information and maintaining diplomatic contacts with foreign powers.

Thus, the development of Australia's formal external relations prior to World War II discloses two important psychological aspects, firstly, the extreme conservatism of the Australian approach to foreign affairs and, secondly, the long-standing dependence upon British opinion and interests to the exclusion of objectives of particular interest to Australia. This attitude of mind is deeply ingrained in many Australians. It is, furthermore, a point upon which the rival political parties differ, the Labour party tending to stress the purely Australian aspects of Pacific problems and the non-Labour parties their Imperial aspects.

### *Security*

The change from colonial dependence to regional autonomy took shape more rapidly in matters of defence. The principles governing Imperial defence were the subject of agreement at a series of Imperial Conferences pre-dating World War I. Each Dominion accepted responsibility for its own local defence and the United Kingdom agreed to maintain a sufficient naval force to protect vital sea communications and to cover the movement of reinforcements by sea. Lord Kitchener, in his report to the Australian Government in 1910, at a time when German aggression was feared, clearly enunciated this general principle in the following terms:—

It therefore becomes the duty of all Dominion Governments to provide a military force adequate, not only to deal promptly with any attempt at invasion but to ensure local security and public confidence until our superiority at sea has been decisively and comprehensively asserted.

After World War I, successive Australian Governments adopted the recommendations of British experts to give effect to these strategic ideas, although as the contribution of the Dominions to Imperial defence was nebulous, the essential conception of mutual reinforcement in war could not be planned in

<sup>1</sup> *Australian Foreign Policy*, 1938, article by W. Hartley Grattan, 'Could Australia remain Neutral?' p. 142.

advance. Nevertheless, the strategic position of Australia after World War I, was favourable. The main weakness in the Pacific, the absence of a first-class naval base east of Malta, was recognized by the Imperial Conference in 1923. The completion of a naval base at Singapore and the maintenance of adequate land and air forces for its defence should have been a safeguard against Japan.

Unfortunately, this plan was never implemented, partly owing to political pressure for disarmament in the late nineteen-twenties and partly owing to an important change in British conceptions of Imperial defence, which Australia endorsed, though not without misgivings. It was argued by a group of naval theorists that the principal concern of Imperial defence was the maintenance of sea communications, that a decision in war could be won by naval power alone and that Dominion efforts should be directed to enhancing the mobility of the fleet. It is not astonishing that the Australian Government was misled into attaching too much importance to the completion of the Singapore naval base and to the reinforcement of the British Pacific fleet. Insufficient attention was devoted to local defence.<sup>1</sup>

The deterioration in the military position of the United Kingdom after the Abyssinian and Munich crises compelled a revision of plans for Empire defence. The danger of air bombing of the United Kingdom stimulated the decentralization of defence industries and a strong section of opinion favoured a self-contained regional system of defence. The Dominions were to be encouraged to look after themselves; a course which their industrial growth made practicable and their vulnerability rendered most desirable. Australia took steps to increase land and air forces and to accelerate the local production of munitions. An Eastern Supply Council was established and arrangements made for the supply of munitions and strategic raw materials to New Zealand, India and Malaya. Zones of regional responsibility were defined in the Pacific area. These various measures were far from complete when World War II was declared. They were the first tangible Australian recognition of the need to evolve from local considerations to a broad view of regional responsibilities.

### *Migration*

The Australian policy in regard to migration has controversial international aspects. Australian opinion upon population problems is therefore very sensitive to political changes in the Pacific. Australia has been one of the main areas for the reception of British emigration for the past century and the established policy is to foster British migrants by all possible means until the continent reaches saturation point at the current standard of living. Whilst there is difference of opinion upon the population which the continent can support, the lowest estimate of 20 million seems unattainable within fifty years. This fact and its implications, both real and imaginary, are ever present in the formulation of Australian policy.

The past smallness of the population, its isolation and the general opinion that military potential is measured by a count of heads have induced a menace

<sup>1</sup> *The Defence of Australia Post War*, Melbourne Research Group, 1944, p. 4

psychology in Australia. This feeling has extended in turn to the Chinese, Russians, French, Germans and finally, following their easy victory over China in 1894, to the Japanese people. The established migration policy is therefore partly based upon a deep-seated fear of invasion. The second aspect of this policy dates from the conflict between European and Chinese miners in the gold-fields of the fifties. It is economic in character and intended to preserve the standards of living of the predominant Anglo-Saxon majority against the competition of peoples of lower standards of living. Administrative action has been in three main directions, the positive encouragement of British migration; the exclusion of migrants of other races on economic grounds, an exclusion which applies fully to Asian races and partially to the Eastern European and Mediterranean peoples; finally, the control of those islands near the continent not in friendly hands. These discriminatory measures have been loosely termed the 'White Australia Policy' but the comment of Andre Siegfried, who examined similar tendencies in New Zealand and wittily referred to them as 'Oceania for the Anglo-Saxons', has an element of truth.

When the Germans located a fleet in the Pacific prior to World War I, Australia immediately built up local naval and military forces. On the outbreak of war, the German territories and bases in New Guinea were captured by Australian forces. The British Government gave assurances that this territory would remain in Australian possession under the peace settlement. Nevertheless, the Australian Prime Minister, Hon. W. M. Hughes, had considerable difficulty at Versailles in securing a C Class Mandate. As the purpose of holding this area was for strategic defence and not for economic exploitation, Australia desired to control migration to the territory. A bitter clash occurred with Japan on the subject of 'race equality'. The Australian delegation successfully resisted the Japanese resolution on this subject on the grounds that it was designed to undermine the right of each nation to determine the composition of its population, a right which is universally admitted. Nevertheless, Australian action at Versailles offended Asian opinion and subsequent Australian governments have been careful to reduce the minor discriminations operating in Australia against resident aliens.<sup>1</sup> Formal recognition of the principle of racial equality would have been accorded at any time had such a declaration implied no obligation to vary the established migration policy. The manifest ambitions of Japan in the South Seas made such a declaration unwise.

The extension of Australian control to New Guinea has had unforeseen results. Under the Mandate, Australia undertook to foster the well-being and progress of the natives. The Melanesian population of Eastern New Guinea, about one million in number, is in a primitive state. Climate, soil and topography render the rapid development of the region extremely costly. The typical colonial plantation economy requires the use of land and labour which under conditions in New Guinea has immediate and detrimental effects upon the social structure.<sup>2</sup> The Australian administration, seeking to promote native

<sup>1</sup> Indians resident in Australia, some 2,000, have full citizenship rights in every respect.

<sup>2</sup> See *Development and Welfare in the Western Pacific*, Hoggbin & Wedgwood, 1943, for an anthropological examination of native use of land.

welfare, has placed restrictions upon the use of indentured native labour. Pressure to use indentured Asian labour has been resisted, partly on the grounds of major policy and partly in the light of the unqualified failure of this procedure in the neighbouring Pacific dependencies of New Caledonia and Fiji. It seems that Australian obligations to the native peoples can only be honoured if a considerable effort is directed to training the islanders for self-government, a task in trusteeship which must involve substantial time and cost. At the outbreak of World War II, initial exploration of New Guinea had been completed, indirect control established over the major tribes, and the more accessible resources were being developed on a small scale by native labour. These matters were the subject of an annual report to the Mandates Commission of the League of Nations.

### *Trade Policy*

Prior to World War II, the United Kingdom was the principal market for Australian exports and the main supplier of imported goods. Australian trade policy was directed to the dual objectives of fostering local manufacture and increasing Australian exports of primary products to Britain through a system of Imperial preferences, dating from 1908. Australia fully subscribed to the Ottawa Agreements of 1932. Furthermore, when British trade in textiles and machinery was adversely affected by Japanese and American competition in the Australian market, a Trade Diversion Policy was inaugurated in 1936 further to aid British exports. This policy had adverse effects upon Australian trade with Japan and was later abandoned.

The whole question of Australia's interests in trade with Asia was very fully examined when the true objectives of the Japanese in East Asia unfolded.<sup>1</sup> Firstly, following abortive trade discussions with Great Britain in 1938, it was believed that Australia would need to develop Asian market to absorb part of her surplus primary production. Secondly, Japanese monopolistic trade policies in East Asia stood as a bar to such an expansion of trade. It was soon clear that the Japanese 'Co-prosperity Sphere' implied that Australia should become an important source of supply of raw materials, notably iron ore and wool, for Japanese industry. The Australian Government was unwilling to embark upon such a policy of economic appeasement of Japan. The export of iron ore was prohibited and a Japanese concession to develop the Yampi iron deposit was cancelled. These measures retarded the expansion of Japanese war industry. Nevertheless, Australia's position was difficult as a small power having an unfavourable trade balance with Asian countries. Considerable thought was given to closer trade relations with Asian countries such as Indonesia, Indo-China, Siam and the Philippines with whom reciprocal trade relations seemed practicable. Australian sentiment has always been favourably disposed to trade relations with East Asia designed to raise Asian living standards and so to promote world peace.

<sup>1</sup> J. Shepherd, *Australia's Interest and Policies in the Far East*, Institute of Pacific Relations, 1940, Chap. 5.

*The Campaign in the Pacific*

Defensive measures taken in 1941 to meet the impending Japanese assault involved Australia in an elaboration of previous Imperial commitments. In the first place, the Government accepted regional responsibilities such as the despatch of land and air forces to Malaya and Indonesia, the fortification and defence of Rabaul and the establishment of air bases in the Solomons and New Caledonia. Secondly, both in the negotiation for the use of bases on Portuguese Timor, the installation of the Free French administration in New Caledonia and in the A. B. D. A. agreements, the Australian authorities assumed a substantial degree of autonomy in their relations with neighbouring powers, a departure from the previous dependence upon British machinery.

Events after Pearl Harbour rudely shattered Australian confidence in the efficacy of a naval defence based upon Singapore and prompted an appeal to the United States for military aid. Immediate and generous help was forthcoming. Australia quickly became a base for American operations and the Australian and American forces were merged in General MacArthur's Command. The joint efforts were closely integrated in operations, training and supply. The Australian forces participated in the brilliant series of operations which recaptured the Philippines and were largely responsible for the ejection of the Japanese from Papua and New Guinea. The Australian Government, as in World War I, requested a voice in the strategic control of operations in the Pacific theatre. The Pacific Council was formed for this purpose and had an important influence on the assignment of adequate resources to the Pacific and East Asian campaigns.

As a result of the war, the common national interests of the United States and Australia in the Pacific have grown enormously. In the words of Professor Levi:—

The lessons of the war have shown that the two nations depend upon each other, though to varying degrees, for their security. The recent exchange of American and Australian diplomatic representatives was generally interpreted as indicating the growing importance and continuing friendship of the two nations. On the other hand, the widening of their national spheres of interest produced overlapping, causing difficulties whose solution is made more complex by the discrepancy in power between the two nations and the consequent continued reliance of Australia upon Empire or at least British support as a counterweight.<sup>1</sup>

Australian experience in the war, the closeness of the Japanese threat to the mainland, the magnitude of the war effort and the sense of self-reliance generated by its successful issue have produced in Australia a new appreciation of the dangers, the rights and the obligations of nationhood. Having assumed these obligations, the Australian Government has repeatedly insisted upon its right to be consulted on matters affecting Australian interests in the post-war settlements. The very intimacy of the war-time relations with United States and the desire that a satisfactory framework for post-war collaboration should be established, led to an early attempt to define Australian interests.

<sup>1</sup> Werner Levi, 'U.S.-Australian Relations' in *Far Eastern Survey*, 15 January 1947.



*The Australian-New Zealand Agreement*

The new tendencies in Australian foreign policy found official expression in the Anzac Pact of January 1944. This agreement contains a statement of general post-war aims, and advances certain specific claims in respect of the post-war settlements. It provides permanent machinery for consultation and collaboration between Australia and New Zealand.

The post-war aims were based upon the terms in the Atlantic Charter concerning freedom from fear and freedom from want and oppression. The following specific proposals were advanced:—

(i) The establishment of a regional security system in the South-West and South Pacific areas embracing the territories of the United Kingdom, the United States, the Netherlands, France, Portugal, Australia and New Zealand. It suggests that the defence of the arc of island stretching from north-east of Australia to Western Samoa can only be sought on a regional basis and that such a scheme is an essential element in any world security system. A conference of the interested powers was proposed.

(ii) The Australian and New Zealand governments proclaim that the principle of 'trusteeship' should be applied to all colonial territories in the Pacific and that the purpose of this trust should be the welfare of the native people and their social, economic and political development. They accordingly suggest the formation of an advisory body—a South Seas Regional Commission, as a practicable form of collaboration. No steps have been possible to establish a regional system of defence and Australian policy in this direction may need review in the light of post-war realities.

The principal claims may be summarized as follows:—

(i) The right of active participation in the post-war settlement, including the disposal of enemy territories in the Pacific.

(ii) The affirmation that Allied war bases in the Pacific do not constitute any claim for post-war sovereignty.

(iii) The support of a system of air trunk routes owned and controlled by the governments of the British Commonwealth, failing agreement upon an international authority.

(iv) A declaration that the two governments would accord each other full support in maintaining the accepted principle that every government has the right to control immigration and emigration in regard to all territories within its jurisdiction.

The Anzac Pact is in substance no more than an agreement to co-operate in matters of defence and foreign policy and to apply the principle of trusteeship in dependent territories. Beyond that, it is simply a frank expression of joint views on questions of wider concern upon which the collaboration of all interested powers is sought. Nevertheless, the Pact has been condemned both in Australia and abroad. The Australian criticisms refer mainly to the manner in which the Pact was announced and to the resentment it appeared to have generated in America. The chief American criticism, apart from that based

upon a misunderstanding of the terms of the declaration, refers to the use of war-time bases, particularly Manus Island north of New Guinea. This base was constructed by the U. S. Navy at the cost of about 250 million dollars during the war and is well located as a forward base for the defence of the South-west Pacific area. The question of its future use was at issue between the U. S. Naval staff and the Australian service authorities shortly after the termination of hostilities. There is little doubt that an agreement for joint use would have been mutually advantageous. A second line of criticism, advanced by some American writers and by a prominent Australian Communist, is that the Anzac Pact is an attempt to form an 'Australasian Empire' merely intended to exclude Asians from the undeveloped areas of New Guinea and the South Seas and perpetrate the evils of the colonial system.<sup>1</sup> These criticisms, insofar as they are not merely partisan, ignore the real difficulties of changing the status of dependent peoples, the recent advances made in the conceptions of trusteeship and the gradual reduction in the extent of dependent territories in the modern world. The countries of South-east Asia have similar problems in their primitive and aboriginal dependent peoples and have not solved them.

### *International Collaboration*

It is beyond the scope of this paper to give a comprehensive account of the Australian policy in regard to the United Nations Organization. The stand taken by the Australian delegation headed by Dr. Evatt at San Francisco and elsewhere upon a variety of problems such as the veto and the status of the smaller powers no doubt is sufficiently well known. A number of delegates to the Asian Relations Conference at Delhi privately expressed their appreciation of the Australian action in the United Nations Organization and upon the liberal political philosophy which had been consistently advocated.<sup>2</sup> In assuming a prominent part in the elucidation of international problems, Dr. Evatt has departed from the more passive rôle adopted by his predecessors at Geneva but his actions in the post-war settlements bear a striking resemblance to the insistence of Hon. W. M. Hughes at Versailles. Both were successful in furthering policies suited to Australia at the time, Mr. Hughes as a great nationalist and Dr. Evatt as an internationalist who believed that Australian security could only be assured by an extension of her external commitments and by the establishment of a world order on firm foundations.

Australia has taken steps to promote regional organs in the South Pacific. Two international meetings have been convened for the special purpose of improving air navigation in this area. A six nation conference in February, 1947, between the United States, Great Britain, France, Netherlands and the two Anzac powers agreed to establish a South Pacific Commission. This is designed as an advisory body in the social and economic sphere and to promote native welfare and research. The Commission is to have no political or admin-

<sup>1</sup> W. D. Thompson, *Population and Peace in the Pacific*, p. 350-6.

<sup>2</sup> See H. V. Evatt, *Australia in World Affairs*, 1946, for a statement of the operative ideas underlying Dr. Evatt's policy.

istrative functions and its importance will lie in the need to co-ordinate administrative methods in an area where there is a considerable diversity of problems. Dutch New Guinea, for instance, though geographically attached to the South Pacific region, has its political and economic ties with Indonesia rather than the South Pacific. Australia, as sponsor, bears the greater part of the cost and should gain substantially from an accelerated regional growth. The establishment of the Commission represents a convergence of five lines of historical development, namely, the traditional claims of Australia and New Zealand to a special place in the South West Pacific, the growth of active foreign policy of the Dominions, the acceptance of trusteeship principles, the need for highly skilled administrative services in dealing with native peoples and the realization that defence, political, economic and welfare problems are closely related in the dependent territories.<sup>1</sup>

As regards the trusteeship provisions of the Charter, the Australian delegation to San Francisco was in favour of a system of accountability for all non-self-governing dependent peoples. This ideal was not achieved in the Charter for a variety of reasons, the most disappointing opposition coming from the United States, whose academics and publicists have been so free in their criticism of colonial imperialism. Nevertheless Australia placed New Guinea under trusteeship on terms which permit that the territory be administered as if it were an integral part of the Commonwealth. Australia agreed to observe Article 76 (*d*) of the Charter, providing for equal treatment of all members of the United Nations subject only to the overriding interests of the native peoples. Some representatives of the United States appear to suggest that this article gives freedom of migration as well as freedom of trade. In this case, the trustee power would have to show that the welfare of the inhabitants was not prejudiced. In the opinion of Sir F. W. Eggleston, there would be little difficulty in establishing this in regard to migration to New Guinea.<sup>2</sup> A similar arrangement has been made for Nauru but Australia has opposed the extension of trusteeship to non-self-governing territories other than Mandates, e.g., Papua.

#### *Reaction to Recent Changes in South-east Asia*

Australia has been involved to a minor extent in the struggle between the Indonesian Republic and the Dutch. Australian interests, both economic and strategic, lie in an amicable settlement of this dispute that will stabilize conditions in Indonesia. The Australian government has maintained a non-committal attitude, whilst making available its good offices through the Security Council to negotiate the Renville Agreement. Popular sympathy in the early stages extended to the Indonesians but the attitude of the Communist-dominated Australian unions in placing an embargo upon Dutch shipping has prejudiced the Indonesian cause in Australian eyes without materially hurting the Dutch.

<sup>1</sup> For a detailed account of South Pacific regionalism see articles by J. Andrews and J.M. Ward in *Australian Outlook* March 1947, and article by Werner Levi in *Far Eastern Survey*, 7 May 1947.

<sup>2</sup> See article on 'The Trusteeship Provisions' in *Australian Outlook*, March 1947.

The British decision to withdraw from India and the subsequent events in India, Burma and Ceylon have a vital bearing upon the manner in which the British Commonwealth is likely to develop and upon the future relations of the Dominions to these areas. The political and strategic implications are far-reaching and difficult to assess. The initial Australian reaction was a desire to maintain the closest co-operation with India. To this end, Dr. Evatt suggested to Pandit Nehru a regional conference of the countries of South-east Asia to discuss matters of common interest in economics and defence. This proposal was shelved, for the Indian leaders were then beset with pressing internal problems. The political consequences of the release of new national forces in South-east Asia and of the curtailment of British commitments in countries adjacent to the lines of communication to Australia were examined in some detail in a ministerial statement on 6 June, 1947. Australian responsibilities were defined as the maintenance of the British Commonwealth interests in South-east Asia and the South Pacific. At the same time, the need was emphasized to help the peoples of these areas to achieve their legitimate national aspirations and to raise their living standards. A preliminary conference among the British countries concerned with the Japanese settlement was convened in August 1947 to consider the Commonwealth policy on the permanent disarmament of Japan. Diplomatic measures were taken, without ultimate success, to terminate the prolonged embargo on Australian trade with Indonesia. Informal discussions were opened with the Governor of Portuguese Timor upon defence, commerce and air communications. The immediate diplomatic Australian reaction to the changes in South-east Asia has thus involved firstly, the assumption of greater regional responsibility in the interests of the British Commonwealth; secondly a desire to maintain the friendship and goodwill of the peoples of South-east Asia; thirdly, active measures to secure the continued disarmament of Japan and finally the settlement of outstanding regional differences.

The strategic effects of the British withdrawal from India have received a good deal of attention. At the conclusion of World War II, Australian opinion was inclined to favour the combination of an Imperial system in which Australia was responsible for her own local defence and a regional arrangement along the lines of the Anzac Pact, based upon the islands to the north of the continent. Subsequent developments have diminished the prospects of a solution along either of these lines. The strategic position of Britain in the Indian ocean has been greatly weakened and the ability of Britain to maintain forward bases in this area is open to question. An examination of the possible alternatives appears to indicate that a system of rear bases in Africa and Australia would best fit with the British Commonwealth interests.<sup>1</sup> Such a solution leaves undefined the sphere of Indian regional responsibility.

A further complication from the Australian point of view has been the withdrawal of the United States naval forces to the Central Pacific. This

<sup>1</sup> For analysis of these alternatives see 'The Southward Bastion' in *Round Table* Sept., 1947, and 'Security Problems in the Indian Ocean' in *Australian Outlook*, December 1947.

movement involved the final abandonment of the war-time U. S. naval base at Manus Island. Accordingly, steps were taken in 1947 to reorganize the Australian defence forces so as to place them on a footing adequate to meet any immediate danger in the South-west Pacific. Simultaneously an active programme of research upon modern weapons was commenced. It is planned to spend £250 million on defence over the next five years, a sufficient illustration of the political instability of the times.

### *The Japanese Settlement*

The two principal objectives of Australian policy in the Japanese settlement are the elimination of Japanese militarism and the establishment of a stable, democratic and peaceful government in Japan. To this end, the Australian delegation has sponsored a number of amendments to the various directives issued by the Far Eastern Commission. The measures necessary to destroy the feudal structure of Japanese society, to place the Japanese economy on a self-supporting basis and to give effect to appropriate military and economic controls, open up a series of complicated issues beyond the scope of this paper.

A preliminary exchange of views on these problems was made at the British Commonwealth Conference on the Japanese Peace Settlement convoked at Canberra, September, 1947. There was general agreement on the following main points:—

- (i) Japanese territory should be limited to the four main islands.
- (ii) Japan must not be placed in a position to rearm or recreate a dangerous war potential. Armament manufacture should be prohibited, production in certain key industries limited and imports and exports controlled.
- (iii) Japan should pay reparations and restore looted property.
- (iv) Restrictions imposed on the Japanese economy should not go beyond the needs of military security.
- (v) A controlling supervisory Commission should be established to ensure compliance with the peace treaty.

The Australian government is pressing for an early determination of the peace treaty. The position is complicated by the refusal of China and the Soviet to agree to any variation in procedure other than through a meeting of the Council of Foreign Ministers and by a sudden change in the American attitude towards Japan. The general treatment of Japan was a matter of agreement in the Potsdam declaration and in the basic policy decision of the Far Eastern Commission dated 19 June 1947. A report prepared for the U. S. Army, the Strike Report, now recommends the scrapping of reparations, the rebuilding of heavy industry and the establishment of Japan as a powerful industrial nation. It suggests that the general level of permitted production be raised and the economic purge terminated. These proposals run completely counter to the main points of agreement at Canberra, set out above. In the opinion of Mr. W. MacMahon Ball, former British Commonwealth representative on the Allied Council, the American plan to revive Japan as a counter to the Soviet in East Asia is not considered carefully enough. It involves great dangers. The Japanese ruling classes, behind a facade of co-operation, have

already deliberately sabotaged economic recovery in Japan to frustrate Japanese reparations. They would, he considers, use external aid to consolidate their power with the same motives as the Germans after Versailles.

A further proposal has been made in unofficial American quarters that the Japanese, whose economic distress is considerable, should be permitted to migrate without restriction to Indonesia and New Guinea in order to relieve the present shortage of food, a shortage aggravated by the Japanese farmers themselves. Such a proposal is outrageous. It ignores not only the rights of the indigenous inhabitants but also subordinates the claims of the remaining Asian peoples to those of Japan.

Nevertheless, these developments raise a fundamental issue in the relations between Australia and the countries of Asia which must sooner or later be faced. In the words of Dr. Evatt:

It is not sufficient for us to negate the attempt of Japan to impose this system (Co-prosperity) on the peoples of the Pacific nor to establish machinery for international security unless we can envisage a system for improving the standards of life for all Pacific peoples.<sup>1</sup>

Australia will need to make some tangible contribution to this process. Mass Asian migration to East Africa, Indonesia, Australia and the Pacific Islands is not the solution to Asian population problems. Indeed, if migration were the answer, the direction of flow might well be to the large underpopulated virgin areas of Soviet Asia. The Asian Relations Conference clearly delineated the economic measures and administrative reforms upon which the future prosperity of Asia depends. Australians have a vital interest in the success of Asian measures to raise the level of capital equipment and must aid them as far as Australian resources, now fully pledged to Britain, permit. To this end, it must be an important objective in Australian policy to participate in those international organizations directly concerned to promote the welfare and progress of the Asian peoples.

## REVISION OF THE UNITED NATIONS CHARTER<sup>2</sup>

By ARTHUR MOORE

WE meet today in the shadow of a great loss, and the unmeasured outbreak of world mourning has revealed the fact that Mahatma Gandhi had become the world's property and its first citizen. To his increasing preoccupation with the problem of world peace and the abolition of war I can personally bear witness.

The absolute prevention of war, perpetual peace, this and nothing less, is the professed object of the United Nations Organization. It is clear from much that appears in print in India that there is a good deal of misconception

<sup>1</sup> Address by Dr. Evatt to Overseas Press Club, New York, April, 1943.

<sup>2</sup> An address delivered in New Delhi on 13 February 1948 at a meeting of the Indian Council of World Affairs with Rajkumari Amrit Kaur in the chair.

as to the pledges and commitments of every country which has joined the Organization. The aims and purposes of the U. N. O. as laid down in the Charter go much further than those set forth in the Covenant of the late and unlamented League of Nations, and the powers that it possesses are on paper incomparably greater than those of the League. Unfortunately, however, the U. N. O. has the same fundamental weaknesses as the League of Nations had, and while it is easy enough to see how the Charter should be revised I shall begin by confessing that I have no belief or hope that it will be effectively revised. I am convinced that it will go the way of the League, and that, as the tempo of events is now much faster than after the first World War, it will end much more quickly. The rot set in much earlier and already our nostrils tell us that putrefaction is far advanced.

The League Covenant laid emphasis on promoting pacific settlement of disputes but did not make members renounce war altogether. They only undertook (Article 10) to respect and preserve as against external aggression the territorial integrity and existing independence of all members of the League; and not to resort to war against any member which complies with an arbitral award or judicial decision, (Article 12); or which complies with the recommendations of the Council agreed to by all its members not parties to the dispute, or with corresponding recommendations of the Assembly. (Article 15).

The Charter of the United Nations Organization makes on paper a much braver show than the Covenant of the League of Nations. Members of the U. N. O. renounce war absolutely in the following paragraphs of Article two:—

All members shall settle their international disputes by peaceful means in such a manner that international peace and security and justice are not in danger.

All members shall refrain in their international relations from the threat and use of force against the territorial integrity or political independence of any State (not, be it noted, merely member States, but any State) or in any other manner inconsistent with the purposes of the United Nations.

The League disposed of no force. The U. N. O. theoretically is strongly armed, and there is not only an absolute obligation to abstain from war but the Security Council has, again on paper, both an absolute duty and absolute power to stop war. It is for the Security Council to say whether the threat of war exists (article 24). The initiative can be taken by any member of the Security Council, and if no member or no regional agency takes action, the Secretary-General can submit the question to the Security Council (Article 99). The intention evidently was that no threat to peace should arise without the Security Council considering it.

But in practice all this machinery may prove ineffective for two reasons: (1) The voting procedure and (2) the fact that so far no progress has been made by the Military Staff Committee of the Council in establishing a force capable of dealing with aggression.

The Security Council consists of eleven members, five of whom are perma-

ment. Its decisions (Article 27) can only be registered by an affirmative vote of seven members at least, and these must include all the Big Five. That is to say each of the Big Five has the power of absolute veto.

Thorny questions like Palestine and Kashmir are bound to strain this procedure severely. In the case of Palestine use of the veto has so far been avoided but it may come at a later stage. In any case it is difficult to see how any decision of the Security Council can be enforced on Arabs and Jews unless the Powers can produce a strong armed force to replace the British, and so far no machinery has been devised. Similar difficulties may arise in the case of Kashmir. The Military Staff Committee has made no progress at all. All that it has done is to produce a report accepting a system of national quotas. No country has yet provided a national quota and it seems all too clear that the armed forces of each nation are still only at the disposal of their national governments to carry out national policies and are in no sense reliable units of a real international force.

It is easy to see how the Charter should be amended but it is extremely unlikely that it will be amended. A world organization can only function effectively (i) if it represents the peoples of the world and not national governments; that is to say its executive should be directly elected and not be the nominees of national governments; (ii) if it possesses a real international armed force and also the bases round the world which Great Powers now demand for themselves for security reasons; when there is a real world force the armed forces of national governments should be reduced to the minimum required for internal security; (iii) if the decrees of the International Court of Justice can be enforced by a Federal World Force.

I do not expect the Charter to be revised. What is more probable is that the organization, confronted with the recurring difficulty of the veto, will break up and that a new organization will be formed without the veto. Russia will doubtless be invited to join and, though at present she insists on the retention of the veto and opposes any such pooling of sovereignty as is required in any effective federal arrangement, it is not possible to say what her reactions would be when confronted with a break up. At the back of the whole situation there is of course the development of atomic warfare; Russia's resistance to the proposals of the Atomic Energy Commission; and the popular belief that America at present has a practical monopoly of atomic bombs but may not retain this advantage for long. The explosive possibilities of such a situation are evident.

Articles 45, 46 and 47 of the Charter established a Military Staff Committee to prepare plans for the application of armed force by the Security Council, be responsible for the strategic direction of the forces and for working out the question of their command. All that has happened is that the Military Staff Committee has made a totally inadequate report. It accepts the principle of a system of national quotas to be called together in an 'unspecified time' only when a state of emergency is considered to have arisen. No national quotas have been provided and therefore the Security Council is today without a force. If it possessed one, any member of the Big Five could veto its employ-



ment. In any case it is clear that national units can never produce an international force capable of dealing with a strong power, though possibly capable of coercing a small country unprovided with modern equipment. The alternative is an integrated system under which the world police force would be directly recruited and all heavy armament would be under the sole control of a world authority. Moreover, believe it or not, the Military Staff Committee's report makes no reference to the rôle of atomic weapons, the development of rockets with atomic warheads, or to bacteriological or biochemical warfare. To stop war all such weapons must be the effective monopoly of the international body, and no individual nation can be allowed to possess them. The cost of warfare is another neglected item in the report. Atomic warfare promises to be vastly cheaper for an aggressor than pre-atomic warfare. The present cost of an atomic bomb is said to be one million dollars, which is a good deal less than the cost of two flying fortresses, but the flying fortresses and their bomb-loads are to atomic rockets much as a boy's airgun pellets are to the shell of a sixteen inch naval gun.

Let me now turn from the Security Council, which alone is charged with the duty of preventing or stopping a war, to the General Assembly. In the Assembly there is theoretically no right of veto. A two-thirds majority of members present and voting is required in the case of questions defined as important, a first list of which is given in Article 18. On all others a simple majority is sufficient. But in speaking of the deadlock in the Atomic Energy Commission the British representative, Mr. Hector McNeil, has credited the Soviet representative, Mr. Vyshinsky, with achieving a new weapon, 'the slow veto'. Mr. McNeil said that Mr. Vyshinsky continued throughout last year to be guided by his own interpretation of the subject, and therefore refused to conform to the plan of work being developed by the overwhelming majority of the Commission. 'He has retarded the work persistently', said Mr. McNeil, 'not by voting "No" but by a policy of non-co-operation despite a large majority against him.'

The situation is that though America has at present, and probably for some years to come, a monopoly of atomic bombs and a large stock-pile, it offered to surrender this supremacy for the sake of world agreement and the Soviet Government refuses that offer, on the ground that it infringes national sovereignty. Inspection by an international authority would, it holds, be an intolerable indignity except with two restrictions; firstly that no plant should be inspected unless it was avowedly concerned with atomic energy, and then only after due notice; secondly that no action should be taken against violators except through the Security Council, on which the Soviet has a veto.

The challenge lies thus squarely between America and her supporters and Soviet Russia and her supporters. If war is indefinitely postponed, through hopes of appeasement and improvement, Russia, and other countries in both camps, will have stock-piles of atom bombs which at present do not exist. It will then be a case of 'thrice armed is he who gets his blow in first' and the temptation to some country, not even necessarily a country at present in the first rank of power, to repeat the Pearl Harbour act may well prove irresistible.

Therefore I think the showdown of power will come soon, and there will be no war. I am advocating nothing; I am merely attempting the rôle of a prophet. The military situation today seems to me comparable to the situation in March 1936, when Hitler violated the treaty of Locarno, (of which he had himself signed acceptance after he came to power), and marched into the Rhineland. Had France and England then stood by the treaty, Hitler had no force to withstand them. He would have had to withdraw and there would have been no second World War. In the comparable situation today there are important differences. There will be an American Presidential election this year, and it is certain that in that desperate struggle for votes the big world issue will not be forgotten and every aspect of it, wherever it can help one party or the other, will be brought to the notice of the electorate. I do not think that either isolationism or some American version of Chamberlainism will win, and if so there will be no war because Russia is in no position to go to war. Personally I do not believe that she is an aggressor nation or wants war. She is full of genuine distrust of capitalistic countries, and intoxicated with a purely materialistic philosophy which she assumes must eventually prevail throughout the world. Gandhiji whose world influence grows is, I think, going to set her back quite a lot on that point.

For America the great testing time will come if she successfully forces Russia into line. Will she live up to her professed ideals of international order, or will she justify the Soviet's dark suspicions? That is where Asia and Europe can help America. Those who side with her in the showdown which will prevent another war and should ensure permanent world peace, must then help to keep her true to her highest ideals and bring about a true world order, not through the domination of a single Power but through a federal union.

There is also the possibility that though America, through her present great atomic superiority, may force the Soviet to co-operate, America's economy may fulfill Soviet expectations and break down through over-emphasis on private enterprise, and consequent chronic strike fever in the body of Labour, a trouble from which the Soviet is free. This would prove a factor contributing to a genuine federal solution rather than world dictatorship by a single power.

My own view is that both the old capitalistic system of unrestricted private enterprise and Marxian materialistic socialism are doomed; the capitalistic system because, though it developed naturally out of human needs, it no longer works; Marxian materialism because it is pure theory and never could work in practice. All the Soviet's successes have been won by departing from it. Both systems will be replaced by something else, namely Consumer Co-operation. This, like capitalism but at a far later date, developed spontaneously, and contrary to the intentions of its founders who thought they were starting a society for Producer Co-operation. In the one hundred years of its existence, from its humble beginnings at Rochdale it has spread and spread on its own merits till now it is a world force. In Britain, the Co-operative Wholesale Society is now the largest business remaining in private hands. As a political power it increases every year, whereas the power of the Trade

Union Congress within the Labour Party tends to diminish.

In conclusion, here is the record of the General Assembly of the U. N. O. at Flushing Meadows last year. It held 500 meetings and spent 1200 hours in talk. It passed 93 resolutions. Its positive achievements were to send Commissions to the Balkans and to Korea to find facts and report. The Slav group has refused co-operation with the Commissions. Yugoslavia, Bulgaria and Albania have not allowed the Balkan Commission to enter their territories; Russia will not allow the Korean Commission to enter the Russian zone.

One most momentous decision the Assembly did take, the decision to partition Palestine. How is this partition to be enforced? On that rock the Organization may flounder. Britain has had enough of Palestine and will not accept the rôle of agent for U. N. O., though probably willing to co-operate in carrying out U. N. O's decision, as all members are pledged to do...Russia, having voted for partition, may well offer her services in a big way. America, chief sponsor of partition, can hardly do less. To the cradle of Christianity and the hill of the Crucifixion the armies of Western bankers and Eastern materialists draw warily nigh, with mutual suspicion in their eyes.

## RECENT POLITICAL DEVELOPMENTS IN KOREA

By GEORGE M. McCUNE

IN January 1948 the United Nations Temporary Commission on Korea opened its sessions in Seoul, the Korean capital. After electing Mr. K. P. S. Menon, the Indian representative, to be its Chairman, the Commission proceeded to its difficult task of attempting to find a solution to the Korean problem, i.e., providing a formula whereby the Korean people could achieve their independence. Korea was nominally liberated from Japanese domination in 1945 by the victory of the United Nations. But the exigencies of war and the power politics of peace have deprived the 28,000,000 Koreans of the fruits of victory.

When Japan surrendered, Korea immediately loomed large as a potential trouble spot in the Far East. The Japanese Empire had been partitioned at Yalta—all of it except Korea. It was generally understood that Korea was to become independent 'in due course', by virtue of the Cairo Declaration of December, 1943, and the subsequent adherence to that declaration by Soviet Russia. But at the time of Japanese surrender Russia had already invaded northern Korea. Less than one month later, American troops occupied southern Korea, and the country was split in two. The outstanding feature of the occupation of Korea has been the divided occupation, prolonged far longer than was intended and resulting in most unhappy consequences for the Korean people.<sup>1</sup>

<sup>1</sup> For further details of this arrangement and of other features of occupation, see George M. McCune, 'Korea: the First Year of Liberation,' *Pacific Affairs*, (New York), March, 1947, pp. 3-17. The author is indebted to the foregoing and also to the Foreign Policy Association

At the time of the occupation of Korea, a prior understanding had already been reached between the United States and Soviet Russia that Korea should become a four-power trusteeship (American, Russian, British, and Chinese) as a preliminary step to complete sovereignty. Such an arrangement seemed the most effective means of guaranteeing an independent Korea 'in due course'. In order to eliminate the arbitrary division of the country at the 38th parallel and to elaborate and implement the plans for Korea, the Foreign Ministers' Conference in Moscow in December, 1945, took up the Korean problem. The agreement it reached was accepted as the governing document for Korea.<sup>1</sup>

The Moscow Plan called for the convening of a Joint American-Soviet Commission, representing the two Commands, whose duty it would be to form a Korean Provisional Government to which the control of Korea could be transferred under some guarantee, possibly a four-power trusteeship.

#### THE INTERNATIONAL PROBLEM

The settlement of the Korean problem was already deeply involved in power politics, in which the major antagonists were the United States and Soviet Russia. A successful application of the Moscow formula demanded considerable compromise and cooperation between the two. Circumstances eventually pointed toward an almost irreconcilable situation. The crux of the matter was the strategic importance of the Korean peninsula, which seemed to be substantial in the view of both the United States and Soviet Russia. The peninsula is a cross-road of the Far East and many times in its history has suffered the consequences of being located at the focal point of conflict. The Mongolian invasions of the 13th century, the Japanese invasion of the 16th century, and the Russo-Japanese War of 1904 are the most spectacular examples of how Korea has been affected by its strategic position.

The Soviet Union expressed its strategic interest in Korea quite clearly in the following terms: 'The Soviet Union has a keen interest in Korea being a true democratic and independent country, friendly to the Soviet Union, so that in the future it will not become a base for an attack on the Soviet Union.'<sup>2</sup> The Soviet aim repeated the Tsarist policy of over fifty years earlier: 'Korea, insignificant by herself because of her weakness, might turn into a tool of aspirations hostile to us, in case she should fall under the control of one of her neighbours.'<sup>3</sup>

(McCune, 'The Occupation of Korea,' *Foreign Policy Reports*, (New York), 15 October, 1947, pp. 186-96) and the Southern Political Science Association (McCune, 'Post-War Government and Politics of Korea,' *The Journal of Politics*, (Gainesville, Florida), November, 1947, pp. 605-23) for permission to use material from his articles already published by them.

<sup>1</sup> Communiqué on the Moscow conference of the Three Foreign Ministers, 27 December 1945, *Department of State Bulletin*, (Washington, D.C.), 30 December, 1945, p. 1030.

<sup>2</sup> Statement by Colonel-General T. F. Shtikov, head of the Soviet delegation to the Joint Commission, at its opening session, 20 March, 1946. Korean Affairs Institute, *The Voice of Korea* (Washington, D.C.), 6 April, 1946.

<sup>3</sup> Conclusions of the Special Committee of Far Eastern Affairs, St. Petersburg, 1888. George M. McCune, 'Russian Policy in Korea; 1895-1898', *Far Eastern Survey* (New York), 26 September, 1945, pp. 272-74. See also M. Fredrick Nelson, *Korea and the Old Order in Eastern Asia* (Baton Rouge, La., 1945), pp. 232-40.

The American view was stated by Assistant Secretary of State John H. Hilldring on 10 March, 1947:

Today a weak Korea, unable to sustain its own independence, would be fertile ground for some new disturbance by openly inviting rivalry for her control and later domination by some strong outside power. If we are to prevent Korea's becoming a danger spot again, a cause of war and an aid to aggression, we must make certain the establishment of a free, democratic, and sovereign country which will become an active factor in maintaining stability in the Orient.<sup>1</sup>

The viewpoints expressed by Shtikov and Hilldring indicate that the fundamental strategic interests of the two powers in Korea are not dissimilar. Neither power wants to run the risk of letting the other power obtain direct or indirect control over the peninsula, but at the same time neither power is convinced that Korea of itself can maintain a stable independent government under existing conditions.

The four clauses of the Moscow agreement set up the procedure by which Korea was to gain complete independence: first, a provisional Korean democratic government was to be formed under the auspices of the two Commands operating through a Joint Commission; second, the Joint Commission and the provisional government were to work out measures for governing Korea and for establishing a four-power trusteeship. A clause was also added calling for an immediate conference to arrange co-ordination of the two zones. In keeping with the decision contained in the last clause, a conference was held in January-February, 1946, but it broke up without achieving any success whatever. Co-ordination between the two Commands seemed impossible and all efforts to mitigate the hardship of the blockade which existed at the 38th parallel were abandoned<sup>2</sup> in favour of an attempt to reach some decision on the formation of a Korean provisional government, under other clauses of the Moscow agreement.

The first clause of that agreement called for the setting-up of a 'provisional Korean democratic government which shall take all the necessary steps for developing the industry, transport, and agriculture of Korea and the national culture of the Korean people.'

The second clause called for the establishment of a Joint Commission, representing the two Commands in Korea, whose duty it should be to recommend proposals for the formation of a provisional government. Such recommendations were to be 'submitted for the consideration' of the four powers 'prior to final decision' by the United States and Soviet Russia. One sentence in this clause was the stumbling block to agreement: 'In preparing their proposals

<sup>1</sup> 'Korea—House Divided', *Department of State Bulletin*, 23, March, 1947, p. 544.

<sup>2</sup> The guarded 38th parallel was almost impassable although electric power, a few sacks of mail, and minor quantities of other commodities crossed the line. The Americans asked for the right to establish consular representation in Pyongyang, the Soviet capital, but were refused. In retaliation, the Russian consular staff was forced by the Americans to withdraw from Seoul in June, 1946. About 60,000 refugees per month crossed the line from north to south during the first two years of occupation. Most of them were seeking better living conditions.

the Commission shall consult with the Korean democratic parties and social organizations. The first session of the Joint Commission, held from 20 March to 8 May 1946, adjourned *sine die* because of disagreement as to the Korean groups to be consulted. The American Command charged that the Soviet delegation was responsible for the breakdown of discussions, stating: 'Russian delegates insisted that any Korean party representative who had ever expressed criticism of Trusteeship should be ineligible for consultation in forming the proposed Korean provisional government. The American position was that such an interpretation would deny the rights of free speech.'<sup>1</sup>

The Russians, however, claimed that the American Command caused the adjournment, stating: 'The American delegation precluded the participation of a series of major democratic organizations of southern Korea and insisted that invitations to consultation be sent to groups which were opposing the Moscow agreement.....'<sup>2</sup>

After a year of fruitless correspondence between the two Commands in Korea, Secretary of State Marshall and Foreign Minister Molotov agreed to reconvene the Joint Commission on 22 May, 1947. However, the question of which Korean groups were to be consulted was still left to the two delegations in Korea, although a general guide was supplied by Washington and Moscow. Secretary Marshall indicated that 'freedom of opinion' could not be interpreted to include sanction to attack the Moscow decision or either party to that decision, and Molotov accepted the American insistence on consulting many Korean groups which the Russians had previously barred.<sup>3</sup>

The Joint Commission, in its second session, proceeded further in consulting the Koreans than they had before, but eventually came to a stalemate on the same question.<sup>4</sup> Secretary Marshall, therefore, proposed to the Soviet Government on 13 August that the Commission be requested to 'report the status of its deliberations so that each Government may immediately consider what further steps may usefully be taken to achieve the aims of the Moscow agreement....' Foreign Minister Molotov consented to have the Commission report, but stated that the Soviets could not agree to consult with Koreans who opposed the Moscow agreement, and that he considered the arrest of leftist leaders in Seoul 'inadmissible.'<sup>5</sup>

Finally on 28 August, 1947, convinced that further efforts to reach an agreement on the basis of the Moscow plan were futile, the United States outlined a new procedure for solving the Korean problem.<sup>6</sup> This plan envisaged

<sup>1</sup> Summation of United States Army Military Activities in Korea, (Seoul), August, 1946, p. 101. Hereafter these reports will be referred to as USAMGIK *Summations*.

<sup>2</sup> Foreign Minister V. M. Molotov to Secretary of State George C. Marshall, 19 April, 1947. *Department of State Bulletin*, 4 May, 1947, pp. 812-13.

<sup>3</sup> Correspondence between Marshall and Molotov, *Department of State Bulletin*, 11 May, 1947, p. 947; 18 May, pp. 995-96; 25 May, p. 1043. \*Part of the previous correspondence between the two Commands in Korea may be found in *Ibid.*, 26, January, 1947, pp. 168-73.

<sup>4</sup> See official statement by Major General Albert E. Brown (Chief American Delegate), 16 July, 1947, Seoul, Korea, concerning disagreement on the list of parties and organizations to be invited for initial consultation. The contrasting positions of the two delegations are outlined. Press release reprinted in (Los Angeles) *Korean Independence*, 13 August, 1947.

<sup>5</sup> Text of communications, *Department of State Bulletin*, 24 August, 1947, p. 398; 7 September, pp. 475-76.

<sup>6</sup> *Ibid.*, pp. 473-75.

placing the Korean cause in the hands of the United Nations. On 17 September therefore, Secretary Marshall presented the American proposal to the UN General Assembly, and on 14 November despite Soviet opposition, the Assembly voted to follow the American plan.<sup>1</sup> An international commission was authorized to supervise elections for the formation of a Korean provisional government. The Temporary Commission consisted of representatives of Australia, Canada, China, El Salvador, France, India, Philippines, Syria and Ukrainian S.S.R. The last-named refused to participate. The Indian delegate, Mr. K. P. S. Menon, was elected Chairman of the Commission. Unfortunately, the opposition of the Soviet Union to the UN move probably foredoomed to failure the work of the Commission as far as the uniting of Korea was concerned.

#### THE INTERNAL PROBLEM

##### *The Japanese Heritage*

For thirty-five years, from 1910 to 1945, the Japanese overlords exercised dictatorial control over Korea. During that period the Korean people had been permitted almost no voice in their own affairs and had been exploited economically for the benefit of the Japanese empire. Even the cultural life of the Korean people was being extinguished by such measures as the prohibition of the use of the Korean language in schools. Despite oppressive measures, however, the national spirit of the Korean people survived with tremendous vigour to become the rallying cry of patriots when liberation came.

The Japanese empire-builders left a heritage of problems when they were ousted, problems which immediately faced the new occupants of the country. In the political realm, the chief shortcoming was the lack of able and experienced leadership. Japanese personnel had dominated the old régime from top to bottom. Although about half of the government employees had been Korean, they were almost all on the lowest levels with only a few hand-picked collaborators in the higher categories. Leadership had also been suppressed in all activities, in business and industry, in education and science, and in political organization.

Another serious handicap to the occupying forces was the political immaturity of the rank-and-file of the Korean people, who lacked experience in democratic procedures and were not highly literate. (About half of the adult population could not read simple Korean.) Although the Japanese had instituted a system of elective and semi-elective advisory councils in local government, suffrage restrictions and the puppet character of the councils themselves had led the Koreans to ignore them. (In 1936, out of a municipal population of 1,700,000 persons, only 56,687 were registered voters.) To make matters worse, factionalism which had long been the bane of Korean politics, had been allowed to develop freely under the Japanese divide-and-rule policy, and it therefore emerged as a factor to be reckoned with by the occupying powers.

The economic problems which faced the occupants were even more staggering than the political ones. During the thirty-five years of Japanese domination, Korean economy was distorted to fit the Japanese imperial scheme; the Korean

<sup>1</sup> Text of UN Resolution, *Ibid.*, 30 November, pp. 1031-32.

people were impoverished; landlordism was encouraged; industry was dependent upon Japanese technicians and administrators, and upon Japanese-manufactured equipment and replacements; civilian production was disrupted to give way to military needs.<sup>1</sup> It was necessary, therefore, to build a new economic structure by converting the old economy to serve Korean needs rather than those of Japan.

Of immediate concern was the problem of how to bring about an orderly transition from controls exercised by the Japanese to a Korean-managed economy. 'During the latter years of the period of Japanese annexation,' stated one American Military Government report,<sup>2</sup> 'and particularly during the war years, the Government-General of Korea exercised rigid control over the entire economy..... A large army of Japanese agricultural administrators, technicians and policemen was spread throughout the land to plan and direct the activities of every farmer. Prices of commodities were rigidly controlled and surplus agricultural production was collected at the source by this army.'

When the day of liberation came, the collapse of Japanese control brought about a chaotic condition throughout the country. This condition was aggravated by the division of the country into two parts. In politics the abnormal division brought into sharp focus the Right *versus* Left controversy, which soon became associated with the two occupying powers. It also added strength to the ancient feud between north and south Korea which at one time in Korean history had brought about bitter party warfare. In the economic field, the break in communications between north and south caused especial difficulty because the Japanese had developed Korean economy on the basis of its resources as an integrated unit in which all parts were necessary to the development of the whole. North Korea, for example, was a food deficit area, but most of the synthetic fertilizer was manufactured there (because of water power resources) and then shipped to south Korea (where rice land is abundant). The southern farmers were then able to produce a surplus of rice to feed north Korea. The blockade at the 38th parallel ended all that.

### *Japanese Control Collapses*

The Japanese administration in Korea began to totter as the war reached its end. Black markets increased, police control weakened and Japanese residents began to fear a revolution. On 14 August, when news of the surrender reached Korea, the Japanese rulers were panic-stricken. An appeal was made to General Douglas MacArthur to hasten the date of occupation if possible. The Japanese Governor-General also appealed in his necessity to Korean leaders in the hope that they would be able to restrain their countrymen. The foremost Korean leader, Lyuh Woon-heung, well-known patriot and former political prisoner, stepped into the breach and, with the help of a group of associates, most of

<sup>1</sup> See Andrew J. Grajdanzev, *Modern Korea* (New York, 1944), for a thorough analysis of the economy of Korea under Japanese control.

<sup>2</sup> United States Army Military Government in Korea (USAMGIK), *Present Agricultural Position of South Korea* (Seoul, Korea, April 1947), p. 3.



whom were released from Japanese cells for the purpose, called upon the Korean people for moderation. They organized local committees of law and order throughout the country, and were able to keep violence at a minimum despite the fact that the Koreans had an old score to settle with the Japanese.

A People's Republic was formed on 6 September, 1945, in Seoul by a national congress of representatives from local committees in all parts of the country. Lyuh Woon-heung was named head of the Republic. These activities were performed with the cooperation of the Japanese administration which was glad to get any help in keeping the situation under control. However, the Korean moves were not reported to the American Command, and when the Americans reached Seoul, the Japanese authorities sought to discredit the Korean leaders of the People's Republic whom they branded as communistic.

The Russians had landed in North Korea on 8 August (before the Japanese surrender) and were rapidly spreading over their zone. They immediately liquidated the Japanese régime and gave authority to the committees of law and order to function under Soviet Command. On 25 August, 1945, two weeks before American troops were to land in southern Korea, the Soviet Command ordered that the 'Executive Committee of the Korean People' take over the administrative powers of the Chosen Government-General, thus installing the Korean revolutionists in nominal control.<sup>1</sup> Local People's Committees formed the base of the new régime. The Executive Committee expropriated and nationalized Japanese property and under the guidance of the Soviet authorities began to construct its organs of government.

The American occupation policy was in direct contrast with the Soviet policy. Whereas the Russians had taken over the Korean People's Committees and were busy setting up a puppet provisional government, the American Command superimposed American military government upon the structure of the previous Japanese administration. Lieutenant-General John R. Hodge, U.S. Commander stated explicitly, 'Military Government is the only government in southern Korea.'<sup>2</sup> The American Command went so far as to announce that the Japanese administration would be kept in office temporarily to facilitate the occupation, although it soon changed its policy and began the wholesale removal of Japanese personnel.<sup>3</sup> The People's Republic was ignored until it became a nuisance by continuing to call itself a government and increasing its following, and then it was suppressed.<sup>4</sup>

<sup>1</sup> Information relayed from Japanese government to General MacArthur, 29 August, 1945. See also John N. Washburn, 'Russia Looks at Northern Korea', *Pacific Affairs* (New York), June 1947, pp. 152-3.

<sup>2</sup> USAMGIK, *Chukun Digest* (Seoul), 25 October, 1945.

<sup>3</sup> See Bertram D. Sarafan, 'Military Government: Korea', *Far Eastern Survey* (New York) 20 November, 1946, p. 350, and Harold Sugg, 'Watch Korea', *Harper's Magazine* (New York), January 1947, p. 40. Both accounts were written by former military government officers who were in Korea during the early occupation period.

<sup>4</sup> In December 1945, General Hodge issued the following statement: 'I feel it necessary to the public understanding to announce that, regardless of what it calls itself, the Korean People's Republic is not in any sense a "government" . . . . I have today directed my occupation forces and the Military Government of Korea that the activities of any political organization in any attempted operations as a government are to be treated as unlawful activities. . . .' USAMGIK, *Chukun Digest* (Seoul), 29 December, 1945.

## THE AMERICAN OCCUPATION ZONE

In the first two years of its existence, American Military Government in south Korea changed considerably, although retaining its basic military character. Since 17 May, 1947, the Korean elements of the administration have been called the South Korean Interim Government (SKIG), and further changes have been planned, pending a decision on unification of the country by the Joint Commission. Overall authority is vested in the Commanding-General, Lieutenant-General John R. Hodge, who entered Korea on 8 September, 1945, with the XXIVth Army Corps. Military government functions are delegated to the Military Governor, Major-General William F. Dean, who replaced the late Governor, Archibald V. Lerch, in September, 1947.

In south Korea itself there is considerable overlapping of authority because of the activities, on the one hand, of the tactical units of the occupation command, and on the other hand, of the officers of military government. The integration of the two is not altogether satisfactory. Although the Military Governor is in charge of military government, the Commanding-General authorizes important changes in occupation procedure. He is available for consultation with Korean leaders and his tactical forces (such as the counter-intelligence) exert a large power in occupation politics.

The structure of military government is patterned after the displaced Japanese régime. An innovation has been the creation of an Interim Legislative Assembly. The Judicial Branch, including the judiciary and courts, is little changed from its previous make up except in personnel. Executive authority is administered through the Civil Administrator who supervises the activities of the various departments and offices as well as the provincial administration.<sup>1</sup> Directly under the Military Governor are a number of special agencies such as the National Economic Board, National Price Administrator, and National Food Administrator.

The authority of the Military Governor is very similar to that formerly exercised by the Japanese Governor-General. He appoints all of the higher officials in the government with the exception of the Interim Legislative Assembly. He rules by ordinance, since no autonomous legislative branch of government exists. (Legislation passed by the Interim Legislative Assembly during 1947 was subject to his review and approval.) He is guided, however, and in a measure circumscribed by the policy directives issued in Washington. And of course the success of his administration is greatly dependent upon the extent of its Korean support.

*Creating a Korean Administration*

Although an American Military Government was established, American policy called for the recruiting and training of Korean personnel to take over

<sup>1</sup> As of 30 September 1946, the following bureau divisions were in effect: 13 departments: public information, internal security, police, transportation, labour, communications, finance, education, justice, health and welfare, commerce, public works, agriculture; four offices: administration, property custody, Korean civil service, foreign affairs; 10 provinces, including city of Seoul. See USAMGIK *Summation*, September 1946, p. ii, for complete chart. A

administrative responsibility as rapidly as possible.

The change-over from Japanese to Korean and American Military Government personnel was quickly accomplished until by the end of January, 1946, only sixty Japanese remained of the 70,000 who had held government positions at the beginning of occupation five months before.<sup>1</sup>

In the opening stages of recruiting Korean personnel, American Military Government leaned heavily upon the wealthier Koreans and those who could speak English. The former were usually associated with conservative pro-Japanese elements and the latter gave military government the reputation of being an 'interpreters' government.<sup>2</sup> The Police Department gained a particularly odious reputation.<sup>3</sup>

Despite the weaknesses of the Korean personnel, progressive measures were taken to transfer more authority to it. On 31 August, 1946, General Hodge requested the Military Governor, Major-General Archer L. Lerch, to turn over operation of the various government departments to Koreans, leaving American personnel to remain in advisory capacities only.<sup>4</sup> Early in 1947 the transfer was complete—the Capitol Building was turned over to the Koreans entirely and the American advisers moved to other quarters. On 10 February, 1947, a Korean, Mr. Ahn Chai Hong, was sworn in as Civil Administrator. Mr. Kim Yong Mu, Chief Justice of the Korean Supreme Court and head of the Judiciary, officiated at the ceremony, while Dr. Kimm Kiusic, Chairman of the Korean Interim Legislative Assembly, made the principal congratulatory address.<sup>5</sup> On 17 May, 1947, a further step was taken in formally adopting the name South Korean Interim Government for the Korean elements of American Military Government.

In practice, however, it was difficult to reconcile the responsibility which still rested in American hands with the Korean bureaucracy which was to administer it. Therefore, the American staff maintained itself as the real authority even though it was nominally acting only in an advisory capacity to the Korean department and bureau chiefs. Some Koreans expressed dissatisfaction with the limitations placed upon them and were critical of the subterfuge that seemed to prevail in the actual operation of the government.

### *Education in Democracy*

The second major political problem of American Military Government, namely the development of democracy and of democratic Korean leadership

reorganization plan was approved in May, 1947, but had not been put in effect till September, 1947. Considerable change was made in the bureaus within the departments, so that the result more nearly resembled American bureaucracy.

<sup>1</sup> McCune, 'Korea: The First Year of Liberation', *loc. cit.*, p. 8.

<sup>2</sup> See Edgar Snow, 'We Meet Russia in Korea', *Saturday Evening Post*, 30 March, 1946; also Harold Sugg and Bertram Sarafan, *loc. cit.*

<sup>3</sup> Roger N. Baldwin, after a visit to Korea, wrote: 'The national police administration which we foster is run by anti-Communists, terrorists of the right, and police officers trained largely in Japanese methods. The latter still operate under Japanese law.' 'Blunder in Korea', *Nation*, (New York) 2 August, 1947, pp. 119-21. A revolt against the police in Taegu in October, 1946, in which 53 members of the police force were killed by enraged mobs, was largely due to police terrorism.

<sup>4</sup> USAMGIK *Summation*, August, 1946, p. 99.

<sup>5</sup> Letter of Archer L. Lerch to Mr. Yongjeung Kim, President of Korean Affairs Institute, *Voice of Korea*, 1 March, 1947; USAMGIK *Summation*, February, 1947, p. 11.

was more difficult than the establishment of the administrative machinery. At the time of occupation Western democratic procedures were almost unknown in Korea. The Japanese colonial régime had given the Koreans no democratic elections, no freedom of press and speech and no political experience. When Korea was freed from Japanese control, demagoguery, corruption, and irresponsibility flourished.

Although much was said about democracy, American Military Government did very little to put it into practice. As one former Military Government official put it, 'The democratic process to which much lip-service was paid was often less understood by some of its advocates than by the Koreans themselves.'<sup>1</sup> Support was generally given to the rightist elements in the struggle which grew up between the extreme right and left. Communism was blamed for much of the disorder in south Korea and was vigorously suppressed. On 22 March, 1947, for example, the leftists demonstrated in a 'flash strike' and in the resultant rioting a total of 2,718 persons were arrested. According to General Lerch, 'almost 100 per cent. of these were leftists.'<sup>2</sup> At the same time, the rightist 'storm troopers' were actively fomenting opposition to the decision of the American Command to reconvene the Joint Commission, but they were virtually unhindered in their activities.<sup>3</sup> In the view of many observers of political affairs in south Korea, the behaviour of the American authorities and of the Korean police under their jurisdiction, were inclining the Koreans toward communism rather than toward democracy.

Despite the lack of a constructive democratization policy, the American Military Government sought to transfer greater responsibility to Koreans on the policy-making level. In February, 1946, a Democratic Advisory Council was appointed to assist the American Command. Most of its membership consisted of extreme conservatives. The liberals refused to participate, and even the conservative remainder proved to be a liability because of its outspoken hostility to American-Soviet co-operation.

In the summer of 1946, the American Command decided to establish an Interim Legislative Assembly, which would supersede the Democratic Council and would provide the Koreans with a more representative voice in policy matter. Half of the ninety-man assembly was to be elected and half appointed, but election procedure was to be about the same as that employed under the Japanese in local council elections.<sup>4</sup> The American Command decided not to

<sup>1</sup> Sarafan, *loc. cit.*, pp. 349-52.

<sup>2</sup> Press Conference of General Lerch, 3 April, 1947, Press Release, Department of Public Information, American Military Government, Seoul, Korea.

<sup>3</sup> For a report on the Korean National Youth Movement fostered by the reactionary groups and financially aided by military government, see *Time Magazine*, 30 June, 1947, pp. 25-6. See also, picture of YMCA building in Seoul, damaged by rightist hoodlums on 7 July, 1947, during a demonstration which was not prevented by police, in *The Voice of Korea*, 15 August, 1947, p. 2. One of the rightist terrorist bands, the Great Korean Democratic Young Men's Association, indulged in such violent activity that it was ordered dissolved by the Civil Administrator in Executive Order No. 1, 22 April, 1947. See Press Release, Department of Public Information, American Military Government, 8 May, 1947, Seoul, Korea.

<sup>4</sup> For Ordinance 118, 24 August, 1946, giving the details of the indirect election procedure, see *Voice of Korea*, 16 November 1946.

attempt to provide for a democratic election, believing that the Koreans should determine their own suffrage laws.<sup>1</sup> The American command also suspected that the elections would be a travesty just as the Japanese elections had been. In consequence, it provided for a half-appointed assembly in order to redress the balance.

The results of the elections announced early in November, 1946, as might have been anticipated, showed an overwhelming victory for the extreme conservatives, even though public opinion polls taken by military government gave them a minority position with the public. The opening session of the assembly was postponed because of irregularities in election procedure, and the chairman of the Coalition Committee, a group of political leaders who had been brought together by military government, requested that the results of the elections be invalidated altogether.<sup>2</sup> After a revolt in some areas, which did not change the situation, the Commanding-General named his forty-five appointees, 'after nominations by the Coalition Committee and consultations with many of the leaders of political and professional thought. . . .'<sup>3</sup>

The Interim Legislative Assembly opened its sessions on 12 December, 1946, but the right-wing membership boycotted the meeting in protest against the appointment of liberal and left-wing members by General Hodge. Later they attended the sessions and sponsored various measures criticizing the American Command for its method of dealing with the Soviets concerning the Joint Commission. The assembly was by no means a success, even though it helped to give the Koreans a voice in their own government and some experience in legislative procedure. But it was not representative of the people, and it accomplished very little in enacting constructive legislation.<sup>4</sup> The few leaders who showed some capacity for constructive cooperative action were the liberals chosen by the American Command.

Korean party politics were confusing and unstable. The rightist parties were strongly organized and held predominant political power despite their lack of a democratic base. Three parties were strongly conservative: Korean Democratic Party, Society for the Rapid Realization of Independence, and the Korean Independence Party. The leftist parties were less clearly defined because many of the moderates were associated with the left at times and dissociated at others. The extreme left, originally the Communist Party, had changed its name to the Southern Korea Labour Party which led in many united front

<sup>1</sup> The Acting Military Governor addressed the assembly on 9 January, 1947, as follows: 'The first consideration of the Assembly should be the framing of the laws and machinery for the selection of an all-elected Interim Legislative Assembly. In order to have the elections at as early date as possible I urge that you complete this legislation before the end of February.' *USAMGIK Summation*, January, 1947, p. 20.

<sup>2</sup> *USAMGIK Summation*, November, 1946. The elections were preceded by a period of violence including strikes, riots, and many other demonstrations of open rebellion. See *USAMGIK Summation*, October, 1946. The Chairman of the Coalition Committee stated that the leftist candidates had been handicapped by the current police investigations and the terrorism of the rightists.

<sup>3</sup> *USAMGIK Summation*, December, 1946, p. 13.

<sup>4</sup> In discussing the proposals for a new election law during one of General Lerch's press conferences, a Korean correspondent said: '... We cannot agree with you that the legislature is actually representing the people in south Korea. We disagree for the following reasons. First, at least half of the members were selected and even among the elected members there

groups. Other leftist groups (some with mild views) were the People's Party, the Revolutionary Party, the Masses League and the New Democratic Party.

The right was in a more powerful position than the left because of its wealth, political control, and demagogic appeal for immediate independence. The left, however, had a strong popular following because of its revolutionary agrarian and industrial platform. But it was weakened by its too-close association with Soviet policy, and by military government suppression.

The middle-of-the-road Korean democrats were weak and disorganized, some being associated with rightist and some with leftist parties. But efforts were being made to strengthen them and some observers believed that they formed the nucleus of a capable Korean leadership, despite the fact that extremists on both sides threatened to engulf them.

#### THE SOVIET ZONE OF OCCUPATION

The Soviet Command pursued a completely different policy from the Americans in framing the government which would rule north Korea. At the outset of occupation the Russians encouraged a sweeping overthrow of the previous régime—its organization as well as its personnel. People's Committees were allowed to take over the functions of government. People's Committees of this sort were similar to the organizations which were later brushed aside by the American Command in south Korea.

On 25 August, 1945, over two weeks before American troops landed in south Korea, the Soviet Command ordered the 'Executive Committee of the Korean People' to take over the administrative powers of the Chosen Government-General, thus installing Korean revolutionists in nominal control.<sup>1</sup>

On 9 February, 1946, a Provisional People's Committee for North Korea was established in place of the Executive Committee as the central governing organ. No military government administration as such was established by the Russians, although the Soviet Command and the political officers attached to it maintained a close watch over their Korean protégés.<sup>2</sup>

The provisional régime set up by the Russians gave the impression, whether erroneous or not, that Korean leaders possessed more than nominal authority in the government of north Korea. During the summer of 1946, preparations were made for an election to take place in November which would provide an endorsement of the pro-Soviet régime. Political parties were reorganized with the result that the United National Democratic Front (composed of three

are some who were not actually elected by the people. For example, I am thirty years old and I do not know when my representative was elected and how he was elected.' General Lerch replied: 'I agree with you in almost everything you said and for that reason I am insisting that a general election law be passed which will give every man and woman the right to say how his country should be run.' Press Conference of General Lerch, 5 June, 1947, Department of Public Information, South Korean Interim Government, Seoul, Korea, 5 June, 1947.

<sup>1</sup> Message from Japanese Government to Supreme Commander for the Allied Powers, 29 August, 1945.

<sup>2</sup> See John N. Washburn, 'Russia Looks at Northern Korea', *Pacific Affairs*, June, 1947, pp. 152-60, for a comprehensive survey of information contained in Russian sources concerning the north Korea occupation. See also McCune, 'Korea: The First Year of Liberation,' *loc. cit.*, for additional information and references.

or more groups) took complete control of the political situation. On 3 November, 1946, elections were held for membership in People's Committees at all levels, and for a national 'Convention of People's Committees.' The elections which were signalized by an almost unanimous turnout at the polls gave a sweeping endorsement to the existing régime.<sup>1</sup>

The first Convention of People's Committees was held in Pyongyang, the northern capital, from 17 to 20 February, 1947. It voted and approved unanimously, article by article, all of the legislation enacted by the People's Interim Committee. It also adopted a national economic plan and a resolution calling for the speedy resumption of the Joint American-Soviet Commission sessions. Then it reconstituted itself the National Assembly of Northern Korea and continued in session for two days more. As Assembly it elected a Presidium, a Supreme Court, and confirmed the make-up of the central committee, henceforth to be called the People's Committee of Northern Korea.<sup>2</sup>

The Soviet contentions as to their political accomplishments in north Korea were summarized by Foreign Minister Molotov in April, 1947, as follows:

As regards northern Korea, considerable progress has been achieved in the field of democratization as well as in restoring the national economy and culture since Japan's surrender. Broad democratic reforms assuring political liberties and raising the living standard of the population have been carried through. I am referring primarily to the inauguration of general suffrage; the law on equal rights of women; the establishment of local bodies of power and the People's Committee of northern Korea on the basis of free democratic elections. . . .<sup>3</sup>

Other reports from northern Korea, however, did not confirm the promising view which was dispensed by the Russian officialdom, press and radio. Although the censorship of news placed a fairly effective blockade on public information as to the course of events in the north, it was quite obvious that there was little democratic freedom exercised in north Korea.<sup>4</sup> Terrorism was practised to keep the opposition in line. The ration system was manipulated in many instances to keep political obstructionism at a minimum. Revocation of deeds to land distributed under the Land Reform Act of March, 1946, was threatened if the new owner did not support the party or do his part in supplying the government with produce.

The Soviet administration exerted strong control while keeping well in the background and allowing the Koreans experience in self-government. Russian political officers rarely appeared before the People's Committees but brought pressure to bear upon ranking members of the Labour Party. Thus, while

<sup>1</sup> In the elections, 4,501,813 persons participated. (The total population of north Korea is probably about 9,000,000, and since about half of the Korean population is under 21 years of age, the above figure would mean that almost all eligible voters cast ballots). A total of 3,520 deputies, including 453 women, were elected. The United Democratic National Front won 97 per cent. of all ballots cast. V. Smolensky, 'The Situation in Korea,' *Pravda*, 16 November, 1946, translated in University of Washington, Far Eastern Institute, *Soviet Press Translations*, 15 March, 1947, pp. 8-11.

<sup>2</sup> *Izvestia*, 5 March, 1947, *Tass* dispatch from Pyongyang, Korea, 24 February, translated in *Soviet Press Translations*, May 15, 1947, pp. 13-4. The 'interim' was dropped.

<sup>3</sup> Letter to Secretary Marshall, 19 April, 1947, *Department of State Bulletin*, 4 May, 1947, pp. 812-13.

<sup>4</sup> A thorough criticism of Russian occupation policy may be found in Harold J. Noble, 'North Korean Democracy: Russian Style,' *The New Leader* (New York) 31 May, 1947, Section 2, pp. 2-12; see also Henry Chung, *The Russians Came to Korea* (Washington 1947).

important decisions were made by the Soviets, the Korean party members appeared to initiate and support such decisions. A resulting impression was created that such decisions were Korean in origin and implementation. Intransigent Koreans simply disappeared. Despite the weaknesses of Soviet method of control, the general conclusion of observers was that northern Korea was becoming thoroughly Sovietized and that there was very little opposition to the course of events.

#### CONCLUSION

Dominant of the problems of Korea is the growing conflict between the right and left. Magnified far beyond its normal gravity by the divided occupation of the country, the vicious struggle portends a serious delay in achieving unity and efficient government.

Unfortunately many observers concluded that civil war was inevitable sooner or later. On the one hand the extreme rightists had entrenched themselves firmly in south Korea, operating within the framework of the American democratic system and at times, unwittingly perhaps, strongly supported by the American Command. Their political parties were well organized, their economic control secure, and their military backing powerful owing to the support of the police, constabulary, and various 'young men's leagues.' On the other hand, the extreme leftists were probably in an even stronger position because of the power behind them in northern Korea. In the north, the leftists had a smoothly operating political machine as well as a growing army of 'volunteers' which had been estimated to number over 150,000 men. Further more, the leftists had organized themselves in south Korea along lines similar to those in the north and therefore had a strong following throughout the entire peninsula.

Under these conditions, the simultaneous withdrawal of American and Russian military forces would, no doubt, precipitate civil war. Observers disagreed as to some of the other immediate results of withdrawal, but they agreed that the extreme left would soon have control of the situation and would be able to sweep aside the opposition if it determined to do so. However, these were matters of conjecture, for neither power seemed to be willing to withdraw and leave the field to the other.

The only solution for the dilemma, therefore, lay in arriving at some workable arrangement whereby a middle-of-the-road Korean régime could be installed in authority as the Korean provisional government under the joint guarantee of the occupying powers. The plan to turn the responsibility for such a solution into the hands of the United Nations did not meet with the approval of the Soviet bloc. A stalemate has ensued which has little prospect of solution unless a basic change takes place in the struggle for power between the United States and the Soviet Union. In the meantime, the Korean people are the victims of a tragic situation and can only anticipate more hardship before achieving their coveted independence.



## PÖSTSCRIPT

The U. N. Temporary Commission held its sittings from 21 January to 4 February 48 and conducted hearings to obtain the views of those ready to assist it and to interview officials. After its work in Seoul, the Commission came to the conclusion that 'the negative attitude of the Soviet authorities with regard to the work of the Commission has made it clear that it will not be possible for the Commission to exercise functions conferred upon it... in the part of Korea occupied by the armed forces of the U.S.S.R.' The Commission, therefore, decided to consult the Little Assembly and the Chairman of the Commission submitted its conclusions to the U. N. authorities. On 26 February, the Little Assembly passed the U. S. resolution that elections to set up a National Government in Korea be held immediately despite Russian opposition and that a legislature be set up providing also for eventual representation of the people of the Russian Zone. The resolution added that elections be held by secret ballot on the basis of adult suffrage and in a free atmosphere in which rights of freedom of speech, assembly and press would be recognized and accepted. The Commission announced that it would observe the elections to be held on 10 May 48 in such parts of Korea as proved accessible to it.

In March the establishment of a 'Peoples Republic' in the northern Russian Zone was announced, presumably as a counterblast to the decision of the U. N. Little Assembly.

—*Managing editor*

## THE POSITION OF THE AMERICAN NEGRO IN LAW AND IN FACT

By WILLIAM STUART NELSON

THE subject on which I write focuses attention upon one of the most crucial aspects of the race question in America—the difference between the purposes of the American people in their best moments as expressed in law and their failure in large measure to keep that law in the hard realities of day to day relations between the white and Negro people. It should be remembered that there is another important phase of race relations which will not come under discussion here, that of the extent to which the Negroes' status in fact reflects the true spirit of democracy quite apart from questions of law.

There can be no question as to the position of the Negro before the basic law of the American Republic. That law as embodied in the Declaration of Independence declares: 'We hold these truths to be self evident that all men are created equal; that they are endowed by their creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness; that to secure these rights governments are instituted among men, deriving their just powers from the consent of the governed.' The preamble to the American Constitution proclaims that 'We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity do ordain and establish this Constitution for this United States of America.'

In order to provide against any interpretation concerning Negroes' rights which the Constitution in its original form did not envisage, three amend-

ments have been made, the Thirteenth Amendment abolishing slavery; the Fourteenth Amendment declaring that 'No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States, nor shall any state deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws'; and the Fifteenth Amendment which provides; 'The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any state on account of race, colour, or previous condition of servitude.'

If there are safeguards of Negroes' rights in the basic law of the land, the evasion of the spirit of this law has been avowed and persistent. The late Mr. Carter Glass, former United States Senator, was the author of amendments to the Constitution of the southern state of Virginia disfranchising Negroes. When asked whether the Negro vote in Virginia would be eliminated by fraud or discrimination, he answered: 'By fraud, no; by discrimination, yes. But it will be discrimination within the letter of the law—Discrimination! Why that is precisely what we propose. That, exactly, is what this convention was elected for—to discriminate to the very extremity of permissible action under the limitations of the Federal Constitution, with a view to the elimination of every Negro voter who can be gotten rid of legally without materially impairing the numerical strength of the white electorate.—It is a fine discrimination, indeed, that we have practised in the fabrication of the plan.' R. Burnham Moffat, writing in 1904 concerning the intent of delegates to the conventions of the southern states of South Carolina, Louisiana, North Carolina, Maryland, Alabama, and Virginia, meeting to frame new constitutions, stated: 'There can be no reasonable doubt that the intent of the delegates to these various conventions was to frame their constitutions in such a wise as to stand the test of the Fifteenth Amendment to the Constitution and at the same time withhold the ballot from the great mass of Negro voters in their respective states'. Senator George of Georgia, a former member of the Georgia Supreme Court, stated the situation in these terms: 'Why apologize or evade? We have been very careful to obey the letter of the Federal Constitution—but we have been very diligent and astute in violating the spirit of such amendments and such statutes as would lead the Negro to believe himself the equal of a white man. And we shall continue to conduct ourselves in that way.' Senator Glass reflected southern sentiment generally concerning the basic American law when he said: 'The people of the original thirteen Southern States curse and spit upon the Fifteenth Amendment and have no intention of letting the Negro vote. We obey the letter of the amendments and the Federal Statutes, but we frankly evade the spirit thereof—and propose to continue doing so. White supremacy is too precious a thing to surrender for the sake of a theoretical justice that would let a brutish African deem himself the equal of white men and women in Dixie.'

In matters of race relations there has not only been an evasion of the spirit but also of the letter of the Constitution, if we are to judge by the decisions

of the Supreme Court of the United States. Some state laws formerly provided that no American citizen might vote who had not voted or whose ancestors had not voted prior to 1861. Such laws were called 'grandfather clauses' and were declared in contradiction to the Constitution of the United States. The Supreme Court has likewise declared unconstitutional laws supporting residential segregation by race, the denial to Negroes of the right to participate in the nominating elections of the Democratic Party in certain states, the denial to Negroes of equal opportunities for education in the states, of the right to sit on juries, and the providing of differentiations in the salaries of teachers based on race.

In spite of these Supreme Court decisions, evasion both of the spirit and the letter of basic American law continues. Negroes in the southern states of the United States are still denied the right to vote. During a period of 5 or 6 years prior to 1942, it is estimated that in 11 states of the deeper south only 250,000 Negroes voted out of approximately 2 million potential voters. Negro voting in these states reached the tragic low figure of a few hundred in the state of Mississippi. Today actual voting is larger but not significantly. One unfamiliar with the situation asks naturally how such disfranchisement is accomplished. There is a tax upon voting called the Poll Tax which operates to disfranchise the poor of which Negroes form a disproportionate number. There are intelligence and character tests administered always by white officials whose decisions against Negroes are notoriously arbitrary. Insults, threats, and even violence keep Negroes away from the polls. To vote may mean the loss of a job or the loss of a limb in certain places. It is necessary to bear in mind that these restrictions are confined almost wholly to the southern states in which slavery continued until the Civil War, 1861-1865, and in which 9 million out of a total of 13 million Negroes still live. With a few exceptions Negroes in the northern states may vote without handicaps, do vote in considerable numbers, and consequently exercise substantial influence upon the government.

Although residential segregation by law has been found unconstitutional, no way has been discovered as yet to prevent property holders from placing covenants in deeds forbidding the sale of property to Negroes. The Supreme Court of the United States is expected to give an early decision on this question. The connivance, however, of real estate dealers and property holders will continue for a long time to prevent Negroes from living where they desire, whatever the action of the courts. In spite of the Supreme Court decision that Negroes must have equal opportunities for education in every state, not a single southern state has fully complied as the question affects Negroes or can be expected to comply in the near future. There seems to be no limit to ingenuity for the evasion of the law in these matters. Negroes are beginning to appear on southern juries but only in cases, one suspects, where there is the probability of an appeal to the higher courts on the ground that Negro jurors were excluded. Negroes continue to be tried and convicted by all white juries in the overwhelming majority of cases especially in the southern states.

It is unnecessary to argue the right of Negroes to justice before the courts. Courts are established to provide justice for all who come before them. From this ideal the facts of Negro life in America indicate a most serious departure. In the North there is relative equality of Negroes and whites before the courts. The situation in the South, however, is revealed in the statement of Dr. Gunnar Myrdal, Swedish sociologist, who has made the most comprehensive study<sup>1</sup> to date of Negro-White relations in America: 'A white man can steal from or maltreat a Negro in almost any way without fear of reprisal because the Negro cannot claim the protection of the police or courts.' William Archer, an English traveller writing in 1908, said: 'This is one of the few points on which there is little conflict of evidence—the negro, in the main, does not get justice in the courts of the South. The tone of the courts is exemplified in the pious peroration of the lawyer who exclaimed: 'God forbid that a jury should ever convict a white man for killing a nigger who knocked his teeth down his throat.' Since 1908 the situation has improved somewhat but not significantly. Virginius Dabney, a southern white writer of distinction, referred in 1932 to 'the frequent failure of Southern blacks to obtain even elementary justice when they fall into the tolls of the law.'

Some trends relating to this serious disability from which Negroes suffer should be noted. More and more appeals are being made from the decisions of lower courts to the United States Supreme Court and decisions are being won before this highest tribunal. This should give some pause to those courts which formerly have run rough-shod over the rights of Negro citizens. Attorneys of the federal government in federal courts throughout the land are becoming more determined in pursuing cases involving the civil liberties of Negroes. White northern lawyers show an increasing willingness to take cases in the South involving Negroes and help thereby to focus public sentiment on the problems which coloured citizens face before the courts. In cases where Negro lawyers are engaged and even endure threats of molestation by the white public, national sentiment is forcing a change in the attitude of southern courts. These factors operate, of course, in only a few widely publicized cases leaving multitudes of discriminations before the bar of justice wholly untouched.

It is important to note, as a postscript to what has been said, that courts tend to be unjustifiably lenient with Negroes who commit crimes against their own people. The implications of this practice are serious. It indicates a profound disrespect by white Americans for Negroes and an indefensible unconcern for their sensibilities and their welfare. This is a practice which hurts deeply Negroes who see its implications and one, moreover, which promotes the crime among Negroes of which the whites complain.

Just as every citizen in every land has the right to expect justice before courts of law, so every citizen is entitled to equal police protection. As far as Negroes in America are concerned, this is a rule observed constantly in

<sup>1</sup> *An American Dilemma* (New York: Harper and Brothers, 1944). This book has been drawn upon heavily for this paper and will be found invaluable for a study of most problems of Negro-White relations in America.

the breach. Lynching constitutes the most serious example of this failure. It is true that since the 1890's lynchings have been reduced from nearly 200 a year to an annual figure under 10. This reduction is explained by higher standards of living, improved educational opportunities for both Negroes and whites, by national agitation against lynching, and by increasing southern liberalism. On the other side of the picture are to be noted an increase in brutality, torture, mutilation, and other sadistic excesses in those lynchings which do occur. There are also today such substitutes for lynching as the killing of Negroes by police officers, precipitate trials with predetermined verdicts, and the quiet murdering of Negroes without the formality of trials.

Those who excuse mob violence against Negroes point to the seriousness of the crimes which result in lynching. It is instructive to note that in only 20 per cent. of the cases is murder alleged to have been committed and in only 16 per cent. of the cases is rape charged. On the other hand, lynchings occur when the only offence has been the refusal to pay a promissory note, the use of offensive language toward whites, the seeking of employment in places considered inappropriate for Negroes, and for no offence at all. Approximately one-third of the mob victims are discovered to have been falsely accused.

While police protection is expected to be available to all citizens without discrimination, it is estimated that in one-half the cases of lynchings, local police officers are participants in the orgy and that in nine-tenths of the other cases, officers either condone or wink at mob action. Almost never can officers or citizens be found who will make a serious effort to secure the punishment of mob members. Neither the importance of upholding law nor the rights of the offended would seem to warrant, in the eyes of the citizens, the pursuit of justice.

In matters of ordinary police protection, officials of the South are expected to help maintain caste pressure and those of the North can never be counted on in advance to act disinterestedly. Bus and tram drivers are often given a quasi-police status, sometimes armed, and often assume high prerogatives in helping to keep Negroes in what they consider to be their place.

This recital indicates clearly that basic American law and the theory of democratic government are on the side of the Negro. In the South theory and fact in the areas I have discussed bear only a very tenuous relation to each other. In the northern states, the discrepancy is not so marked but it is not wholly absent. It must be remarked, in justice, that there is slow improvement in the situation. The federal or central government is at the moment especially active in the effort to guarantee Negroes their rights under the law and is making progress. Its handicaps lie in our federal system which reserves important powers to the states and in the influence wielded in the national government by forces opposed to the full equality of Negroes. The question is whether the improvement now being made is sufficiently rapid in view of America's moral position in the world and her pressing need of domestic solidarity. It is a question which the American people would do well to ponder.

## LIBERIA

By M. MUJEEB

NATIONALIST sentiment divides the history of Liberia into two parts, one beginning from the pre-historic age and ending with the acquisition of western civilization, the other beginning with the foundation of what was once called the Empire Republic and extending up to the present day. This linking up of the ancient and modern in Liberia shows that the true Liberian regards himself as an African who has returned to his native land after a period of exile in America, 'a school of experience which he had to attend'. It is considered a matter of no significance at all that the emancipated negroes who settled in Liberia did not know to which part of Africa their ancestors belonged. West Africans are all one.

The Republic of Liberia thus owes its origin to a yearning for the 'homeland' which men have always felt, and to philanthropic Americans who wished to help repatriate negro slaves in the U. S. A. The active members of the American Colonization Society, established on 21 December 1816, realized that in spite of the widespread popular support they were being given, they could not achieve substantial results unless the Federal Government took an interest in the matter. The Federal Government was responsive to their appeal, and towards the end of 1819, President Monroe set aside \$ 100,000 for the expenses of colonization. A site for the colony had already been selected on the coast of present-day Liberia, but the choice was unfortunate, and the first two settlements were annihilated by disease. Early in 1822, the site where the city of Monrovia now stands was acquired from the native chief, and here, after two pitched battles, a foothold was secured which became the nucleus of the Republic of Liberia. The colony was given the name of Liberia and its capital was christened 'Monrovia' (after President Monroe) in 1824.

The territory of Liberia was gradually extended by purchase and treaties with tribal chiefs. The forces at the disposal of the Liberian Government were sufficient to maintain order and repel attacks by hostile or rebellious tribes, but no annexations could be made by conquest. The Liberian Government was particularly helpless against foreign powers like England and France, whose colonies adjoined Liberia and whose nationals did not treat the laws of the Liberian Government with respect. In 1846, the Liberians seized a vessel owned by a British trader in their own waters at Grand Bassa for violating the revenue laws, and the government of the British colony of Sierra Leone retaliated by capturing a Liberian vessel in the same harbour. Owing to the difficulty of conducting survey operations in the bush and the forest of the hinterland, the Liberian Government could not fix the boundaries of the State till 1868. In 1882, the British forcibly extended the boundaries of the Sierra Leone colony eastward, and the Liberian government had no choice but to acquiesce. In 1891, the French annexed another slice of territory to their Ivory Coast.

The area of Liberia is given by the Liberian Department of the Interior as 43,000 sq. miles, and by the League of Nations report as 36,000 sq. miles

The 'interior boundary jogs along from north-west to south-east at a distance varying from 90 to 200 miles from the sea-coast. Liberia's Atlantic coast lies along the 350 miles stretch between Sierra Leone and the Ivory Coast.... In general geographic aspects Liberia is like the other countries of the Gulf of Guinea. Viewed from the sea, it has a long regular coastline, a central belt of undulating country covered with dense, equatorial forest; and finally, an elevated region, less damp and more healthy, stretching between the great forest and the "savannahs" of the Soudan' (Brown, *The Economic History of Liberia*, pp. 23-4). The temperature fluctuates between 75° and 85° F. in the hot or dry season, but may go up to 95° or 100° F. In the rainy season the temperature is somewhat lower. It is considerably cooler in the hilly interior, where the thermometer may even drop to 46° on winter nights.

At present Liberia is divided into five Counties, which all lie along the coast, Cape Mount, Grand Bassa, Sinoe, and Maryland, eight Districts of the hinterland and one Territory. These in turn are divided into commonwealths (seats of local government), cities, townships and villages. The Territory is a particular district called Marshall, which for historical reasons could not be included in a larger unit. The League of Nations Protocol, published in 1933, advised the reorganization of the country into three major provinces, Western, Eastern and Central, and some administrative functions have since been assigned on a basis of three units in the country. Specific powers have been delegated to the counties, but no original jurisdiction vests in them, they have no separate income and depend wholly on the central government. Their officers, the Superintendent, the Sheriff, and the county Attorney are appointed by the central government. The tribes of the hinterland now elect or select paramount chiefs for approval by the central government, and if the choice is approved, the paramount chiefs supervise the selection of the sub-chiefs, clan chiefs, town chiefs and village headmen, who are in part accountable to them. The districts are in charge of a District Commissioner appointed by the President and approved by the Senate.

Estimates of the total population of Liberia vary from about one million, fixed by a committee of the League to 2,250,000, the figure given by the Liberian Government. Of these, from ten to fifteen thousand are of the upper or ruling class, who live along the coast and, together with the more or less influential African people, form a coastal population of about 50,000. The great mass of the population is in the hinterland, behind the coastal area which extends to about 40 miles inland. The main centres of the coastal population are Robertsport, Monrovia, Marshall, Buchanan, Greenville, Cape Palmsa and Harper. Towns in the interior of some considerable size are Zinta, Mpanclamia, Hubeyamai, Ninkambusu, Mbotomai, Duogubmai, Bazimai and Blakblazu. Their population ranges from 1,000 to 2,500. The more important tribes are the Vai, Gola, Mendi, Loma, Mandingo, Gissi, Bassa, Guio, Mano, Kru and Grebo. There are, besides, about ten smaller tribes. The entire population of Liberia is African, though in the coastal area one may observe traces of admixture with American and American-Indian elements, and North African and Arab races have mingled with the tribes of the Western province,

influencing both their culture and physiognomy.

The first settlements in Liberia were placed under a Governor whose authority was subject only to the overriding powers of the Colonization Society. In 1846, when the State Department of the U. S. A. failed to take any action over the reprisals carried out by the British in Grand Bassa harbour, as mentioned above, the Colonization Society informed the Liberians through the Governor that it could not further undertake to help or to guide them, and they should become politically independent. A communication of a similar nature was addressed to the U. S. A. State Department. A constitution prepared by Mr. Greenleaf in the U.S.A. was submitted to the Liberian leaders, now known as the Eleven Fathers of the Constitution, who adopted it and proclaimed the independence of Liberia on 26 July 1847. Liberia has now a national constitution strongly resembling that of the U. S. A. and there are the same three major divisions in the functions of the government, legislative, executive and judicial. The supreme law of the land is the constitution, subsequent legislative acts, and a body of regulations necessitated by the foreign control over customs revenues.

No white person may become a citizen of the Republic. Suffrage and the right to hold office is reserved for Liberians with sufficient property qualifications. The minimum property qualification for a voter is the possession of a hut and the payment of a hut tax of two dollars a year. Women were accorded full suffrage rights in 1946 and voted for the first time in March, 1947.

Legislative power resides in the House of Representatives and the Senate. The House has the sole power of impeachment, and is the chamber from which all money bills must originate. Other bills may be introduced in either house. The members of the House, 24 in number, are elected for four years. The Speaker and other officers in the House are elected by the members. The hinterland has no representative in the legislature, but on depositing a fixed sum, a tribe may send a Referee to watch legislative proceedings. These Referees do not possess a vote, but are accorded a voice in tribal matters.

There are 11 Senators, two from each county, and one from the Territory. They are elected by qualified voters for a term of six years. Legislative sessions are held usually in October, November and December of each year.

Executive power is vested in the President, who is elected now for a term of eight years. He is Commander-in-Chief of the Army and Navy and, discounting foreign control, the supreme officer in the Liberian scheme of government. He initiates legislation with the consent of the Senate, appoints judges, including those of the Supreme Court, appoints and commissions all ambassadors, ministers and consuls, and the Attorney-General. He is aided by a Cabinet composed of eight executive department heads created by legislative acts between 1848 and 1928, six or more commissions and boards and over a thousand minor officials and employees. In real politics, the sovereignty of the country is limited by foreign economic control, which has arisen out of the peculiar circumstances of the Republic.

The following ministers, known as Secretaries, are appointed by the President: a Secretary of State, who is the minister of foreign affairs and guardian of the



seals, the laws and State documents; an Attorney-General, who is the head of the Department of Justice; a Secretary for the Interior, whose office at present includes the ministry of public works, and deals with native affairs through the Five District Commissioners; a Secretary for War; a Secretary for Education; a Postmaster-General; and a Secretary for the Treasury who is responsible for framing the budget and sanctioning expenditure in accordance with it.

Under the 1926 loan Agreement, an American Financial Adviser, selected for the President of Liberia by the President of the U. S. A. was to control the Republic's finances. He was to be assisted by a Customs Controller, an Inland Revenue Controller and two Advisers. From 1936, however, the offices of the Financial Adviser, Controller of Customs and Controller of Revenues have been vested in the same person, only one Assistant Adviser was appointed, and now this office is vacant owing to a dispute as to whether the officer should be an American or a Liberian.

Political parties were formed in Liberia after the declaration of independence in 1847. American practice was followed in the establishment of two parties, but as the Spoils System was also adopted and all offices were given to members of the party in power, no proper opposition could ever be organized except when elections were held. American practice was also imitated without regard for national requirements and for the differences between conditions in the U. S. A. and Liberia by the provision in the constitution of a President and a legislature elected for two years. The State had to bear the expenses of organizing the elections, and this led to considerable waste of money and the growth of an opposition that had candidates of its own but no policy. Gradually, however, differences of policy emerged, and the True Liberian Party, which was in power continuously from 1847 to 1869, was overthrown in the latter year because of a growing resentment against its policy of limiting political effectiveness to American repatriates and ignoring immigrants and repatriates from other parts of Africa, because they were not considered civilized enough. The presidential election of 1869 became a contest between the 'whites' and the 'blacks', between those who considered themselves superior because they were American repatriates or their descendants and those who believed that Liberia was a free land of the negroes where all were politically on an equal footing. In this contest President Roberts, in spite of his great prestige, failed to get re-elected. The new party of the True Whigs lost power again for a period, but it has ruled Liberia since 1883. Now this party is very firmly entrenched, its leader is Speaker of the House of Representatives, all government servants belong to it, and must contribute a percentage of their salary to the party funds. The True Whigs have followed a policy of inclusiveness, and it is largely owing to them that the tribes of the interior have been slowly brought within the orbit of political life.

Liberia has had a balanced budget since 1935, although during this period debt payment absorbed as much as 39 per cent. of its total revenue. The internal debt, also called the floating debt, amounted in 1935 to \$ 500,000. This debt was liquidated by 1947. The foreign funded debt in 1935 was over \$ 2,220,000. By the end of 1947, this was to be reduced to \$ 672,000.

No further debts have been incurred since 1934. Total revenues have increased from \$ 504,000 in 1935 to \$ 2,337,000 in 1946: customs revenues from \$ 431,000 to \$ 1,197,000; internal revenues from \$ 173,000 to \$ 1,140,000. The main sources of increased revenue have been the expansion of rubber production, the construction of the harbour at Monrovia, which provided lucrative employment to thousands of people, the presence of the U. S. army in the country and the consequent release of large sums of money for general circulation, and increase in gold production. Increase in mercantile business has also added to the revenue. The budget for 1946 was \$ 2,377, 000 revenue and \$ 2,350,000 expenditure. The sources of revenue are; licence fees from traders, hut tax, sale of gold, real estate tax, poll tax, postal, revenue and court stamp duties and percentage on rubber export. Over three-fourths of the revenue is derived from this last source. In 1945, the total domestic production of rubber amounted in value to \$ 11,342,625, and of this \$ 10,959,955 came from the Firestone Plantation. The Firestone Plantation owes its origin to the desire of American manufacturers to have their own source of rubber supply, so that they would not have to depend on Great Britain and her colonies and dependencies for this important raw material. Experts sent by the Firestone Company in 1923 reported that the climate, rainfall and soil of Liberia were eminently suited to large scale rubber plantation, and the yield of rubber trees there was of a surprisingly high grade. They also reported that the government was sympathetic. Mr. Harvey S. Firestone immediately took up the project of a plantation and began negotiating with the Liberian Government. It is unnecessary here to go into the details of the negotiations, but it seems clear that in attempting to ensure against obstacles and risks, Mr. Firestone went far beyond the limits of fair dealing and tried to make the Liberian State dependent upon his interest. The result was a dispute which continued for about eight years, and which the League of Nations was unable to resolve. Ultimately, however, the advent of the late President Roosevelt to power, the revival of trade after the slump and the tenacity of the Liberian Government led to a settlement and the Firestone Plantation has been expanding rapidly since 1936. It is now an establishment that does great credit to the imagination and capacity of the American businessman. The plantation covers 75,000 acres and employs 25,000 men. It has built 10,000 houses, 96 miles of road, has its own telephone system, power plant, hospitals, schools and stores where its employees can obtain food supplies at considerably reduced rates. The labourer is paid 25 cents a day, gets quarters and medical treatment free, but is not paid while he is sick. The management of the plantation which is an entirely American enterprise is an outstanding example of efficiency and the relations of the Firestone staff and the Liberian Government and people are extremely cordial. The harbour of Monrovia, which will cost about \$ 5,000,000, may almost be called a gift of the late President Roosevelt.

As revenue increased, consideration was given to allocating as much as possible to the three basic requirements of the country—health, education and road-building. Provision is also being made for the development of agriculture, for Liberia is primarily an agricultural country. Figures are

given below showing expenditures in 1936 and 1946 on these four items, together with amounts appropriated for 1947.

	1936	1946	1947
Health . . . . .	\$21,713	\$144,591	\$263,750
Education . . . . .	20,118	101,273	137,263
Public Works, including roads . .	34,951	139,240	140,215
Agriculture . . . . .	..	42,955	50,000

Liberia has the good fortune to possess in President Tubman a shrewd and far-sighted administrator and statesman who has an eye on the essentials and may be relied upon not to sacrifice the stability of Liberian economy to a superficial show of progress. But those who are the leaders of the people seem to be too deeply under the spell of American civilization and incline to lean too heavily on the Americans for the development of the country. The only occupations are State service, law, and easy-going landlordism. Liberia is a very fertile country where several marketable varieties of fruit grow wild, but apart from rubber plantations belonging to a few individuals, farming and fruit culture have not been taken up. Vegetables are grown by the tribes on a very small scale, the cultivation of rice is limited and unscientific, when the soil and the climate are both very well suited to rice cultivation and ten times the present amount could be easily produced and sold in the neighbouring countries. Petty trade is entirely in the hands of a few Muslim tribes, import and export business is almost a monopoly of foreigners. At Kakata, a thriving business centre in the interior, all the big shops belong to Syrians. They are equally conspicuous at Monrovia.

There is a psychological reason for this state of affairs. For about thirty years after the establishment of the colony in 1822, there was great prosperity. Liberians exported the produce of their country, sometimes in their own ships, and were successful enough to rouse the envy of their neighbours. But they attended only to agriculture, not industry, and though they produced their own food, they depended almost entirely on import for manufactured goods. The declaration of independence in 1847 did not put an end to the assistance intending settlers got from the Colonization Society and philanthropists in the U. S. A., but the resources of Liberia were utterly insufficient to support a sovereign State. After 1850, the agricultural produce of Liberia, coffee, cocoa, palm oil, piassava (a kind of fibre), had gradually to face competition in the markets of Europe and America, but what crushed Liberian commerce was the steamship, the revolution in industry and the new political and economic imperialism of the European States. The first sign of the decline of Liberian commerce and the first shock to Liberian sovereignty and independence was the negotiation of a loan of \$ 500,000 in London in 1871. This gave crafty and unscrupulous foreigners a permanent foothold in Liberia, for no loan could be spent on the purposes for which it was contracted, and the State could disentangle itself from the evil effects of one loan only by negotiating another. In 1906, the Liberian Government again borrowed \$ 500,000, a third loan was contracted in 1911, and a fourth in 1926. The intention

in each case was to provide the State with funds necessary for development, but fraud, mismanagement and bad accounting made each loan into a source of greater involvement than the previous one and brought very little or no benefit at all.

There are also other definite reasons for Liberia's financial and economic difficulties. The most important, perhaps, is that citizenship has not, till very recent times, been broadbased on an identity of interest between the Americo-Liberians or the settlers and the African tribes, the latter being regarded mainly as an unlimited source of cheap labour to be exploited by the more civilized, or even to be supplied to foreign countries for exploitation. Industries were not developed, methods in keeping with the new spirit of competition were not introduced, with the result that opportunities for expansion became more and more limited. Another reason for the lack of balance in Liberian economy has been the absence of a proper educational policy.

Education in Liberia is both African and Western. Under the African system education takes two forms, Poro or indigenous and Mohommadan. The Western system is represented by the institutions of the missionaries and the government. The Poro and the Mohommadan education are adequate for the requirements of tribal life, but utterly insufficient for the training of youth for survival and progress under modern conditions. Missionary and government education, which is American in character, does not go beyond the high school standard. In addition to this, it is not designed to meet the demands of national and economic responsibility inherent in modern citizenship.

In 1900, a government bureau of education was established, and one officer in the cabinet is the Secretary for Education. The creation of this department was followed by the establishment of schools in each settlement and town under the control of selected school committees and the imposition of a school tax of one dollar a head. The number of elementary government schools rose from fifty-five in 1924 to more than ninety in 1935. In 1936, an increase of 81 per cent. in the appropriation increased the number of schools by 38 per cent. and the enrolment by 52 per cent. In 1944, the Tubman administration co-ordinated educational work by insisting that all schools, government, missionary and private, should conform to a syllabus prescribed by the Education Department, and this has forced all missionary schools to provide secular as well as religious education. Two institutions for training in industry and arts have also been established. The College of Liberia and the College of West Africa have not been able to raise their instruction to the university level and are still high schools. But assistance is given to students, if they appear deserving to go to the U. S. A. for further study. From the Education Secretary's report for 1945, it appears that 40 students, seven of them with government scholarships, are studying in the U. S. A. Education, however, is still without clear objectives and has not been co-ordinated with the political and economic needs of the people.

Interested foreigners have deliberately over-emphasized the unhealthy conditions of Liberia, and medical experts become indignant, as everywhere

else, because they find data for making statistical calculations missing or inadequate. Liberia is no better and no worse than other parts of the world with a similar climate. Yellow fever, which was once considered to be endemic in Liberia, is now very rare, as also black-water fever, which is generally fatal. Tuberculosis, which the indigenous population calls the 'white plague', venereal diseases, also introduced by the white settlers and traders, and malaria are the most common afflictions. During the last few years, the U. S. Health Mission has done remarkable work in creating healthy living conditions and eradicating disease, and in Monrovia there are no mosquitoes and flies. The government and missionary organizations are gradually improving the medical service, and the number of qualified medical practitioners is also increasing.

Liberia is now a member of the United Nations, and however small in area and limited in resources, she holds a position of equality with the nations of the world. Colonial powers in Africa are keenly aware of the emotional effect the existence of a sovereign and independent Liberia can have on their subjects and they have done all they could to rob Liberia of all glamour and romance. Negroes in S. America, the West Indies, and West Africa have, indeed, a soft corner in their hearts for this sovereign republic of theirs, and France, Belgium and Holland have generally taken care not to encroach upon the rights of the Republic. But Liberia has not served as a stimulating example and one cannot trace any considerable movement in the Negro world to its influence or inspiration. Politically, the significance of Liberia has depended mainly on the interest the U. S. A. has taken in her affairs. This has neither been lively nor consistent, partly because of the fear of repercussions on the Negro population of the United States and also because no considerable economic or political advantages could be expected from such an interest. During the last World War, Liberia acquired some importance as an air base, and the needs of the moment as well as a sense of possible future requirements led to the building of an airfield and a harbour. Even this has roused the envy and the fears of France, and the French delegation to the Centenary Celebrations in July, 1947, was surprisingly large. But there appears to be little chance of the United States making use of their associations with Liberia to upset the balance of power or of trade in West Africa. The British are more realistic or perhaps better established than the French. They shake their heads when they see the excellent harbour of Monrovia, and say they hope the Liberians will be able to pay the maintenance costs. That means, they have no intention of allowing traffic to be diverted from their own harbours or trade from their colonies.

India and Liberia are very far apart, and belong to different spheres of political and commercial relationships. There are some prosperous Indian trading-houses in Nigeria, but Liberia does not seem to have attracted more than half-a-dozen businessmen in all. The last of these, one Atma Ram of Hyderabad, Sind, left Liberia some time in 1946. His customers hope that he will return some day; he was, indeed, very popular. That, no doubt, must have been due to his personality and business methods; but India enjoys a quite enviable prestige among the colonial populations of West Africa. The teachings

of Mahatma Gandhi and the forceful writings of Pandit Jawaharlal Nehru have stirred them deeply, and they look upon the achievement of independence by Indians as a happy augury of their own future. It is a future in which Liberia could play a decisive part.

## A REVIEW OF LABOUR LEGISLATION IN SOUTH-EAST ASIA—II

### 3. THE PLANTATION ECONOMIES: CEYLON, MALAYA, INDONESIA AND INDO-CHINA (CONTINUED)

By P. S. NARASIMHAN

*Indonesia.* Unlike in Ceylon and Malaya, in Indonesia, forced labour and penal sanctions—the two devices most commonly adopted in all colonial territories to extract work from indigenous peoples as yet unwilling to accept regular wage-earning employment—had still to be abolished in the Outer Provinces<sup>1</sup> on the eve of World War II, and remnants of earlier systems of forced labour survived even in Java.

In Indonesian society custom required every able-bodied man in the community to work for a specified number of days in the year on public works of a communal character; and, also entitled the village chief to exact from the adult males in the village domestic service or service in his fields for periods varying from 1 to 27 days in the year. In the early days of Netherlands rule in Indonesia the Dutch used this traditional obligation to force the indigenous population in Java to cultivate for the government certain specified crops for export. Later, as European-owned plantations and business enterprises developed rapidly in Java and the Outer Provinces and roads had to be constructed to link these to the harbours, the administration found a new use for forced labour, and evolved a system of labour taxes or *beerendiensten*, under which the local inhabitants were compelled to work on the construction and maintenance of public works, mostly roads, in lieu of taxes.

As a result, however, of the intense agitation against the system carried on by Indonesian popular parties such as the *Sarekat Islam*, the focussing of world attention on the question of forced labour following the International Labour Conferences of 1929 and 1930, and the steady progress of a money economy, *beerendiensten* in Indonesia were well on their way to abolition in 1941. The practice of requiring compulsory labour service on public works disappeared first in Java where the steady increase in population made available a plentiful supply of labour and an Ordinance dated 3 December 1934 abolished the remnants of the system in west, central and east Java. In the Outer Provinces, however, in the remoter parts of which a barter economy still prevailed, and in areas where the native population fully engaged in the production of crops for export was unwilling to work on the construction of roads, the

<sup>1</sup> By Outer Provinces is meant the part of the Indonesian archipelago outside Java and Madura, mainly, Sumatra, Dutch Borneo, Celebes and Dutch New Guinea.

Government found it necessary to continue the system. Steps were, therefore, taken to regulate and limit the demand for compulsory labour service. An Ordinance dated 9 December 1931 and an Order dated 7 October 1933 reduced the number of days' service which might be demanded from each able-bodied man from between 24 and 35 to 15 and 30 days in the year. Another Ordinance issued in 1938 gave Indonesians in the Outer Provinces the right to commute their labour service obligations into a money tax, and the Road Tax Ordinance of 1941 took the reform a step further by insisting that all persons whose living standards exceeded a certain level should meet their obligation by paying a tax in cash and by giving the others the option of paying their taxes either in cash or in the form of labour service. The important part played by compulsory labour service in the construction of public works in Indonesia right up to the outbreak of World War II can be judged from the fact that in 1939, in the Outer Provinces, over 23 million days of work was performed by 1,121,664 persons and that each worker on an average gave 20.5 days' service in the year.

A second type of forced labour which still survived in Indonesia in 1941 was that exacted by private landlords in certain estates in Java known as *particuliere landerijen*. These were estates in West Java which had been ceded to private owners over a century and a half ago, and in which the owners still retained the feudal right to exact labour service from the population living on the estate. An Ordinance issued in 1912 limited such service to men between the ages of 16 and 50 resident on the estate, and fixed a maximum limit of 52 days or nights in the year, and in the following years the government attempted to abolish the system by repurchasing the estates. With the advent of the economic depression, the government was forced by lack of funds to stop this attempt, and in 1941 there still remained in Java a number of these estates where the owners had the right to exact compulsory labour service from the local population.

In the field of labour legislation proper, right up to the nineteen twenties, governmental interference was confined almost entirely to contract labour employed in the larger undertakings in the Outer Provinces, and, was as much aimed at securing for the planters of Sumatra and the Outer Provinces a secure and stable supply of labour as at protecting the interests of the labourers themselves. When in the latter half of the nineteenth century plantations expanded rapidly in the sparsely populated Sumatra and other areas in the Outer Provinces, planters found it impossible to recruit enough labour locally and were, therefore, forced to import labour from Java. The planter who had to spend from 100 to 150 guilders per head in recruiting and transporting the worker to the place of employment naturally wanted to be assured that the labourer would stay and work in his plantation for a fairly long period; and it was also to the interest of the labourer working in a new and remote centre far away from home, without even the money to return home, that he should be guaranteed certain minimum standards with regard to working and living conditions. Beginning from 1880 onwards a series of 'Coolie Ordinances' were, therefore, enacted defining the conditions under which workers might be recruited in

Java and Madura for work in the Outer Provinces. A number of these Ordinances which had been issued separately for the different outlying provinces were consolidated in a new Ordinance promulgated in 1931 applicable to all the Outer Provinces, and in two regulations which laid down similar provisions for the Chinese contract workers in the tin mines of Banka and Billiton. The Coolie Ordinance of 1931 laid down that workers may be engaged in Java and Madura for work in the Outer Provinces under written contracts the duration of which may not exceed three years.<sup>1</sup> It provided for the forcible seizure and return of the deserting contract worker to his employer at the latter's expense, and enumerated a number of offences on the part of the worker for which he could be either fined or imprisoned for specified periods. These included absence without leave or valid reason for more than 24 hours. Labourers agreeing to sign such long-term contracts with penal sanctions were given a number of offsetting advantages. The Ordinance laid down that the earnings of the worker should be sufficient to provide adequately for the normal necessities of life, and that the stipulated daily wage should be paid for the usual rest days and holidays and for days on which the worker was ready and able to work but was not provided with work by the employer. Women workers were to be granted maternity leave during the last 30 days preceding and the 40 days following confinement and during the first two days of menstruation. Contract workers were not to be asked to work for more than a maximum of 9 hours a day, nor for more than 6 hours consecutively and overtime was to be paid at one-and-a-half times the normal rate. A worker was not to be separated from his family against his will, and the Ordinance further required the employer to furnish free lodging and medical care to the worker and his family for the duration of the contract, and repatriation home, free of charge, on the termination of the contract.

As has already been stated above, the Coolie Ordinance applied only to workers recruited under contracts with penal sanctions and employed in the Outer Provinces in the larger undertakings, *viz.*, undertakings with a superficial area of more than 175.37 acres and employing more than twenty workers. But since 1889 employers in the Outer Provinces have also been free to recruit 'free workers' in Java and Madura on the basis of a contract without penal sanctions, and the Free Workers Ordinance of 1911 sought to regulate this class of labour. But in contrast to the Coolie Ordinances, the Free Workers Ordinance of 1911 gave the worker little substantial protection. It merely required the employer to pay wages regularly, desist from unlawful deductions, provide the workman suitable housing, medical attendance and nursing, and repatriate him free of charge on the expiry of the contract.

Nowhere has the institution of penal sanctions been more severely criticized than in Holland itself, where it has been opposed by the liberals from the very beginning; and, in the years following 1930 the use of penal sanctions declined rapidly in the Outer Provinces and was finally abolished by the Ordinance of 14 November 1941. Both the Coolie Ordinance of 1931 and an amending

<sup>1</sup> This was reduced to two years by the amending Ordinance of 1936.



Ordinance promulgated in 1936 laid down a programme for the gradual elimination of penal sanctions and the replacement of penal sanction by non-penal sanction workers; but more effective perhaps in securing the rapid abolition of penal sanction labour were the world economic depression which rendered superfluous a considerable part of the labour force in the estates, the discovery by the employers that it was much easier to dismiss workers and cut wages in the case of free workers than in case of penal sanction workers whose rights were protected by the Coolie Ordinance, and the Blaine amendment to the U. S. Tariff Law of 1930 which prohibited the import into the United States of products of convict, forced or indentured labour unless such products could not be produced in the United States in quantities sufficient to meet American needs. The rapid progress achieved in the elimination of penal sanctions can be seen from the fact that while in 1930 out of the 478,915 immigrant workers employed in the Outer Provinces as many as 351,321 were workers recruited under contracts with penal sanctions and only 111,891 were free workers, in 1939, out of a total of 333,936 immigrant workers, only 6,531 belonged to the former category and 316,992 were free workers. In 1941 the use of penal sanctions was altogether abolished, but it is necessary to point out that along with the abolition of penal sanctions the immigrant worker in the Outer Provinces lost all the protection that had been given to him by the provisions of the Coolie Ordinance and a draft Immigrant Labour Ordinance which was introduced in the Volksraad in 1942 to give effect to these provisions had not yet been enacted when the Japanese overran Indonesia.

The labour legislation reviewed above, as has been stated already, applied only to a very restricted group of workers, *viz.*, unskilled Asian labourers coming from outside the province working in the larger undertakings in the Outer Provinces. Apart from the abolition of penal sanctions in 1879 nothing was done to protect labour in the densely populated Java and Madura, apparently on the ground that there was no need for the government to interfere so long as the labourer worked near his home or was not bound down by penal sanctions.

In the years following World War I, however, a new impetus was given to labour legislation by the activities of the Indonesian nationalist movement and the influence of the International Labour Organization. But the results achieved were meagre. An Ordinance of 1925 gave effect in Indonesia, with certain modifications, to the International Labour Conventions concerning the employment of women during the night, night work of young persons and the minimum age for admission to industrial employment. This Ordinance forbade the employment of children below 12 between 8 p.m. and 5 a. m. in all undertakings; and, prohibited the employment of children under 12 even during day time in factories, in workshops employing more than ten workers, in the construction, maintenance, repair or demolition of excavations, earthworks, waterworks and buildings, or of roads, railways and tramways, or in the loading, unloading, or removal of goods in harbours, wharves and stations. The employment of women at night between 10 p.m. and 5 a.m. was also prohibited in the above-mentioned employments. Another Ordinance respecting the rules

for the employment of children and young persons on board ship promulgated in 1926 prescribed a minimum age of 12 years for employment on board ship except when under the care of the father or of a blood relation, of 16 years for employment as a trimmer or stoker, and made the employment of children and young persons conditional on the production of a medical certificate attesting physical fitness, thus giving substantial effect in Indonesia to the various International Labour Conventions on these subjects. The Mining Regulations issued in 1930 restricted employment underground to men over 16 years of age and stipulated that such employment should not exceed  $8\frac{1}{2}$  hours a day (the limit was reduced to 6 hours when the wet bulb temperature in the mine exceeded 30 or when there was great trouble from water), and provided further that every workman exclusively or partially engaged in underground work should get at least 52 rest days in the year.

More important, however, than these advances, which, in some cases, were whittled down in practice by the large number of exemptions granted to particular classes of industrial undertakings<sup>1</sup>, was the wide field over which working conditions were almost wholly unregulated. Thus throughout the inter-war period there was no statutory limit on the daily or weekly hours of work of adults and young persons in industrial undertakings in Java and the Outer Provinces, as the limit specified in the Coolie Ordinances did not apply to non-penal sanction workers. Official enquiries in Java in 1932 revealed that during the busy season more than 14 hours per day were worked in rice-mills, tobacco-sheds and a number of other miscellaneous industrial undertakings. Wages in the sugar industry in Java were notoriously low but a proposal made by a Sugar Enquiry Committee appointed in 1919 that the workers should be given a share in the profits was dropped on a promise by the employers that they would take measures to protect the interests of the indigenous population, and a draft Ordinance for the provisional regulation of minimum wages in public and private undertakings framed by the Labour Committee of 1919 was similarly shelved. Indonesian workers were not given a statutory right even to the most elementary forms of social security such as compensation for accidents and maternity benefits. In the field of industrial relations, the government took a definitely retrograde step. During the years immediately following World War I there was widespread labour unrest and a number of strikes in Java, and in 1923, following a strike in the railways, the government inserted in the Penal Code a new section severely limiting the right to strike; and, though ostensibly the section was intended to prevent only 'political' strikes, its provisions were so wide and vague that it practically prohibited any attempt at organizing a strike.

In the years immediately preceding World War II, however, three important labour laws were enacted.<sup>2</sup> The first of these, the Workmen's Compensation Ordinance of 1939 introduced in Indonesia, for indigenous workers, a system of compensation for accidents incurred in the course of employment and the

<sup>1</sup> In 1939, 57 out of the 84 sugar factories in Java employed women during the night working a total of 287, 454 nights.

<sup>2</sup> Legislation of a purely war-time nature is excluded.

second promulgated in 1940 extended this to seamen. The third, the Regulation of Employment in Industrial Undertakings Ordinance, applied to industrial undertakings in Indonesia excepting State enterprises and undertakings employing immigrant labour in the Outer Provinces (the branches of industry to which the regulations were to apply were to be specified by Government Order), and provided *inter alia* for a 9 hour working day, a weekly rest day, the regular payment of wages, and the elimination of arbitrary deductions and fines.

*Indo-China.* Labour legislation in Indo-China has followed the same course as in Indonesia. A French Government Decree dated 21 August 1930 defined the general principles which should regulate the use of compulsory labour for public purposes and the Decree was extended to Indo-China by an Order issued in 1932. This Order provided that with the exception of cases of *force-majeur* and of labour for communal services, recourse should not be had to compulsory labour except for public purposes, and even in such cases only by way of exception; and, an Order issued in 1933 prohibited compulsory labour for public purpose, in the whole of Cochin-China, Cambodia and a considerable part of Annam and Tonking. On the eve of World War II, with the exception of certain special cases in which tribal chiefs were allowed to exact the customary compulsory labour service, such service in favour of private persons was prohibited throughout Indo-China; and was allowed for a public purpose only in certain remote and mountainous districts for portage.

In Indo-China, as in Indonesia, the labour force in the country falls into two distinct classes, *viz.*, contract labour employed in the plantations and industrial and mining undertakings<sup>1</sup> under a long-term agreement with penal sanctions and non-contract labour employed in the mines, factories and commercial establishments. Up to 1933 labour legislation was mainly concerned with the former. Plantations in Cochin-China began to recruit labour under a long-term contract in the years following 1905, and an Order issued in November 1918 provided that an indigenous or Asian worker breaking such contracts would be liable to the penalties prescribed in the Penal Code. The conditions of work of contract workers were regulated in detail by the Native Labour Order of 1927. This Order which still remains in force stipulates a maximum limit of 3 years for contracts for employment within Indo-China, provides for the supervision of recruitment and working conditions by the government, prescribes a 10 hour day with provision for overtime pay at 1½ times the normal rate, grants the workers a weekly rest day and lays down detailed provisions for the protection of the workers' health. The Order further provides for the regular payment of wages, gives each contract worker the right to a daily ration of 700 grammes of rice in addition to his wages, and lays on the employer an obligation to provide the worker and his family with free housing, free medical attendance in times of sickness and free repatriation home on the termination of the contract. As regards young persons, the Order stipulated *inter alia* that young persons below 14 may not be recruited, that young persons between 14 and 18 may be recruited only for work in the same undertaking as their

<sup>1</sup> In actual practice contract labour is employed mainly by plantations alone.

parents, and that such young persons may not be employed on tasks beyond their strength. Finally, the Order provides that women contract workers shall be granted one month's rest with pay after childbirth. To prevent the contract worker from squandering his earnings and returning home destitute at the end of the contract period another Order issued in 1927 instituted for contract workers a system of deferred pay. Five per cent. of the net wages due to the worker is withheld every pay-day and is paid into a deferred pay account together with an equal contribution by the employer, to be made available to the worker at the time of repatriation.

As regards non-contract labour, regulations issued till 1933 sought merely to define the legal status of the worker, to establish machinery for the settlement of individual and collective labour disputes and to protect the worker's health and welfare. An Order issued in Tonking in 1899 required every indigenous worker in the employment of a European to be given a workbook containing details regarding his village and identity, and the nature, length and terms of the employment; and, though subsequently the system fell into desuetude, Orders issued in 1930 and 1936 revived the system of workbooks, extended it to the whole of Indo-China, and provided that no person, whether a European or an Asian, may take into his service an indigenous or Asian worker not in possession of a workbook.<sup>1</sup> A Decree of 1930 promulgated during the same year provided for the setting up of conciliation boards to settle individual labour disputes and another Decree and Order both issued in 1932 established the principles of compulsory conciliation of collective labour disputes and introduced optional arbitration. The latter Decree again provided for the punishment by imprisonment and fine of any indigenous worker or salaried employee who ceased work without 14 days' previous notice in 'private public utility services', and declared unlawful any collective cessation of work for any purpose other than the settlement of a trade dispute occurring in the business or industry to which the persons concerned belonged and which was such, or intended to be such, as to cause prolonged inconvenience to the public and consequently to compel the government to follow a given line of conduct. As regards protection of the workers' health, a Decree of 1912 required mine owners to notify all serious accidents and to observe safety instructions issued by the mines inspection service; a special Order issued in March 1932 sought to regulate dangerous, unhealthy or noxious undertakings, and a Decree of 1933 laid down, for the first time, in definite fashion the precautions to be taken to protect the workers against occupational diseases and injuries.

Statutory regulation of the conditions of work of non-contract labour in Indo-China, however, dates only from 1933. The Decree of 19 January 1933, which for the first time sought to regulate the conditions of work of non-contract labour, however, applied only to women and children and was promulgated in August 1936. The Decree which extended to factories, works, yards, laboratories, workshops, shops and offices<sup>2</sup> prohibited the employment in such establish-

<sup>1</sup> These Orders, however, did not apply to indoor staff employed by indigenous or Asian employers and agricultural workers employed on seasonal work.

<sup>2</sup> Undertakings in which only the members of the family were employed and indigenous handicraft workshops where not more than 10 persons were employed were exempted.

ments of children below 12, prescribed a 10 hour day and prohibited night work for boys under 15 and girls under 18 years of age, prohibited the employment of women for work underground in mines, and provided for the grant of eight weeks' maternity leave without pay to women workers. In 1936 the advent into power in France of the Popular Front Government gave a new stimulus to progressive labour legislation in the colonies, and a Decree issued in October 1936 amending the earlier Decree of 1933 extended the limitation on the hours of work to all workers of either sex, provided for the introduction by stages of an 8 hour day, and prohibited night work for all women irrespective of age. An Order issued by the Governor-General of Indo-China during the same month granted workers in industrial and commercial establishments a weekly day of rest and annual holidays with pay, and all these gains were consolidated and expanded by the Decree of 30 December 1936 which gives indigenous wage earners and salaried employees in the industrial, mining and commercial establishments of Indo-China a fairly comprehensive labour code. Under the provisions of this Decree, children under 12 may not be employed in any industrial, mining or commercial establishment, nor in work which exceeds their strength. No child under 12 may be taken on as an apprentice and the number of apprentices in an establishment, except in craftsmen's premises, may in no case exceed one-third of the number of workers employed. In undertakings employing more than 25 workers the framing of standing orders to regulate working conditions is obligatory, and workers in all industrial and commercial occupations are entitled to minimum wages periodically determined in accordance with variations in the cost of living by district committees containing representatives of the government and of employers. The maximum daily hours of work is fixed at 8 and night work prohibited for young persons under 18 and all women irrespective of age. All salaried employees, workers and apprentices in any kind of industrial, mining or commercial undertaking are entitled to one full day's rest a week and an annual paid holiday of at least 10 days. The employer is required to fence dangerous machinery and ensure adequate ventilation, lighting and supplies of drinking water at work places, and the Governor-General is empowered by Order to define the various classes of dangerous and unhealthy work forbidden for women and children. Finally, for accidents occurring in industrial, mining or agricultural undertakings the injured worker or his heirs have a right to receive compensation from the employer provided the resulting incapacity lasts for more than four days.

#### THE PEASANT ECONOMIES—BURMA, SIAM AND THE PHILIPPINE REPUBLIC

The characteristic feature of this group of countries is that, unlike India and China, they have no substantial population of factory workers<sup>1</sup>; nor have they like Ceylon or Malaya a large labour force employed in plantations. Both in Burma and Siam, modern economic development in the years following 1870 has taken the form primarily of a spectacular increase in the production of

<sup>1</sup> In Burma, in 1940, only 89,383 workers were employed in factories subject to the Factories Act, and in the Philippines not more than 250,000 workers were estimated to be employed in factories in 1939.

rice for export, and of an expansion of the mining industry—the mining of oil and lead in Burma and of tin in Siam. Unlike expansion in the production of rubber and tea, the increase in the area under rice did not create any new labour problems and has been achieved mainly by the efforts of the indigenous peasant population, though in Burma during the busy season immigrant labour from India generally played a considerable part in the transplanting and harvesting of rice during the inter-war period. The few factory industries that have developed are concerned mainly with the processing of agricultural products, such as, the milling of rice and timber in Burma and Siam, and, the production of sugar and the manufacture of tobacco in the Philippines. The small labour force, these manufacturing enterprises require, they have been able to recruit without much difficulty from Indian and Chinese immigrant labour in Burma and Siam, and the local population in the Philippines. Unlike Ceylon or Indonesia none of the countries in this group has, therefore, had to face and solve the problem of providing for large-scale plantations and mining enterprises in remote areas a stable supply of labour by evolving a complex code of legal regulations to regulate the relations between employers and long-term contract workers; nor, to experiment with such devices as forced labour and penal sanctions. On the other hand, unlike in India or China, the need to protect an expanding class of industrial and urban wage earners by appropriate labour legislation has also been much less urgent in this group of countries, and during the 'thirties, the protection of the rural population from exploitation by the landlord, the money-lender and trader was a much more urgent social problem in Burma, Siam and the Philippines than the enactment of protective labour legislation designed solely to protect the wage earning classes in the towns.

*Burma.* Until 1937, Burma was part of British India and had, therefore, no independent labour code. The labour laws enacted by the Government of India automatically applied to Burma in the same manner as they applied to any other Indian province. When in April 1937, Burma was finally separated from India, most of the British Indian laws then in force in Burma, including all the laws dealing with labour, were, by the Burma (Adaptation of Laws) Order, 1937, suitably amended and incorporated in Burma's legislative code. On the eve of World War II, therefore, conditions of work in Burma's factories, mines, railways and major ports were regulated by statute. Adult workers in factories had the legal right to a 54 hour week in the case of non-seasonal and 60 hour week in the case of seasonal factories, a weekly day of rest and overtime pay at  $1\frac{1}{4}$  times the normal rate. Children under 12 may not be employed in factories and those above 12 but below 15 may not work for more than 5 hours a day. In the mines, hours of work of adults were limited to 54 in the week, the grant of a weekly day of rest was obligatory and the employment of children below 15 was prohibited.<sup>1</sup> Railway workers whose work was not intermittent could not be required to work more than 60 hours in a week and were entitled to a weekly day of rest. In ports the employment of children

<sup>1</sup> The provisions of the Mines Act, however, did not apply to the two important mining areas in Burma viz., the oilfields at Yenangyaung and the lead and silver mines at Bawdwin and Namtu.

below 12 was prohibited, and the Burma Merchant Shipping Act, 1923 fixed a minimum age of 14 for employment in merchant ships and of 18 for employment as trimmers or stokers. The wages of workers in factories and railways were protected from arbitrary deductions and fines by the Payment of Wages Act of 1936 and the Workmen's Compensation Act of 1923 which applied *inter alia* to manual workers in Burma's factories, mines, railways and ports whose monthly wages did not exceed Rs. 300 gave the worker or his dependant a right to compensation for personal injury, illness or death arising out of the performance of duty. Trade unions registered under the Trade Unions Act of 1926 were entitled to a measure of immunity from civil suits and criminal prosecutions, and the Trade Disputes Act of 1929 declared illegal strikes and lockouts in the public utility enterprises without 14 days previous notice, and empowered the government to refer existing or apprehended trade disputes to a court of inquiry or a board of conciliation; the government, however, had no power to enforce the recommendations of the conciliation boards.

Two labour laws enacted recently in Burma have on the one hand given a number of new concessions to workers in Burma's factories and on the other sought to restrict the worker's right to strike. The Burma Factories (Amendment) Act of 1948 abolishes the distinction between seasonal and non-seasonal factories, reduces the maximum permissible weekly hours of work in factories from 54 to 44, steps up the rate of pay for overtime work to twice the ordinary rate, raises the minimum age of admission for employment in factories from 12 to 13 and reduces the permissible daily working hours of children from 5 to 4. The wide-spread labour unrest in Burma caused by war-time rise in the cost of living and the urgent need to expand production would, on the other hand, seem to have convinced the government of the need for a more effective machinery for dealing with strikes and lockouts, and the Burma Trade Disputes (Amendment) Act of 1947 empowers the Government of Burma to set up a Court of Industrial Arbitration, to refer trade disputes, under certain conditions, to arbitration by the Industrial Court and to enforce the award of the Court on the contesting parties.

*Siam.* In Siam labour legislation may be said to be almost non-existent. The wage-earning class in Siam is composed almost wholly of immigrant Chinese Javanese and Malays, and during the inter-war period over 70 per cent of the non-agricultural labourers in Siam were Chinese. As neither the owners nor the workers in the country's industrial, mining and commercial enterprises were Siamese nationals, the government naturally had little incentive to step in and regulate conditions of work. Apart from an Act passed in 1932 placing private employment agencies under the jurisdiction of the Ministry of the Interior, and a Factories Act enacted in 1939 to enforce in factories certain measures for the health and safety of the workers, the State has done little to regulate conditions of labour in Siam, and in 1938 the Siamese National Assembly actually rejected by 62 votes to 28 a Bill which sought to fix the minimum age for admission to employment at 15, to provide for the fixation of minimum wages and to introduce a system of sickness and accident insurance.

*The Philippines.* Despite the almost complete absence of large-scale manufacturing industry, the Philippines also, like Burma, possessed on the eve of World War II the framework of a legislative code to regulate conditions of work in non-agricultural employments. The Employment of Women and Children Act of 1923 prohibited the employment of children below 14 years in factories, industrial establishments and other places of labour on school days unless the child knew how to read and write and, in any case, as labourers in mines. For work underground in mines and in specified hazardous occupations, the minimum age of admission was fixed at 16 and for work which involved serious danger to the life of the labourer, at 18. The employment in factories, shops or other places of labour, of any person under 16 years of age before 6 a.m. and after 6 p.m. was prohibited. The Act further stipulated that women should not be employed in mines, nor in places where explosives were manufactured, and required the employer to grant women workers maternity leave with pay for the 4 weeks preceding and the 4 weeks following child-birth, though the latter provision has been declared unconstitutional by the Supreme Court and is not now in force. Hours of work were regulated in 1939 by Commonwealth Act No. 444, known commonly as the 8-hour labour law, which provided that the legal working day of any person employed by another shall be not more than 8 hours. Farm labourers, labourers who preferred to work on a piece basis, domestic servants, persons employed in the personal service of another and members of the employer's family working for him, however, were exempted from the provisions of this Act. The Workmen's Compensation Act which came into effect in June 1928 applied to employment for the purposes of any business by an employer whose gross income exceeded 20,000 pesos a year and required the employer, in the event of personal injury, illness or death of the worker arising out of the performance of duty, to pay compensation or death benefits according to a prescribed scale and to provide the worker with such medical, surgical and hospital services and supplies as the nature of the injury or sickness required. Commonwealth Act No. 213 gave registered labour unions the right to collective bargaining with the employers and provided that no employee may be prevented from joining, or dismissed for having joined, any registered legitimate labour organization. Finally, provision was made for compulsory arbitration in respect of industrial disputes by Commonwealth Act No. 103 enacted in 1936. This Act set up a Court of Industrial Relations to hear cases referred to it by the Philippine Department of Labour, or by the party or parties concerned, and relating to such points as wages, hours, or conditions of work involving more than 30 persons. Once a case had been submitted to the Court, the parties concerned were required to abide by the orders of the Court. The Act also authorized the Court, when directed by the President of the Philippines, to determine the justice and necessity of fixing a minimum wage or maximum rental for any industry or any locality, and to fix through its awards, the rates of salaries and wages that should be paid by the employers concerned in industrial disputes referred to it for decision.



## CONCLUSIONS

In the above survey of labour legislation in the countries of South-east Asia two facts stand out clearly. First, hitherto labour legislation has been concerned mainly with only two classes of wage earners, *viz.*, wage earners in factories and mines, and plantation workers. In India and China where factory employment is relatively more important than employment in plantations, greater progress would seem to have been made in regulating conditions of employment in factories. In the plantation economies, on the other hand, legislation to protect the working and living conditions of the workers in plantations is much more comprehensive than in India where there is even today no statutory minimum age for admission to employment and no legal maximum limit to the daily hours of work in plantations; though, in Indonesia and Indo-China such statutory protection as was afforded in the inter-war period to plantation workers applied mainly to contract workers who had signed long-term contracts with penal sanctions. In all the countries of South-east Asia three classes of wage earners are today largely outside the scope of protective labour legislation, *viz.*, agricultural labourers whose ranks are steadily swelling by the steady increase in population and the almost universal expropriation of the small peasant by the money-lender, the innumerable workers engaged in small workshops which do not use power such as the workshops engaged in the production of *bidis* in India and *strootjes* in Java, and commercial and shop-workers whose numbers have greatly increased with the rapid expansion of the distributive trades in all the countries of South-east Asia.<sup>1</sup> And, these three classes of wage-earners taken together should decisively outnumber the group of workers engaged in organized industry and plantations.

Secondly, even such labour legislation as has been enacted has done little to help the wage-earner in the two things in which he is likely to be most interested, *viz.*, in securing a living wage and some measure of protection against the risks of sickness, unemployment and old age. Excepting in the case of the plantation workers in Ceylon and Malaya and the contract workers in Indonesia and Indo-China, whose wages were regulated on the basis of standard coolie budgets, no step has been taken hitherto either to prescribe or enforce a minimum wage,<sup>2</sup> though here again a beginning has been made in Ceylon and Indo-China and the Minimum Wages Bill passed by the Indian Constituent Assembly early this year provides for the creation in India of machinery for the determination of minimum wage rates in a number of occupations including agriculture, within the next three years. In the field of social security, again, progress has been extremely halting and slow. Even such an elementary kind of social security provision as workmen's compensation for accidents was provided in Indo-China only in 1936 and in Indonesia in

<sup>1</sup> A beginning has, however, already been made in India in regulating conditions of work in the small non-power using establishments, and in India and Ceylon in regulating conditions of work in shops.

<sup>2</sup> The Chinese Minimum Wage Law of 1936 was only a permissive measure and would not seem to have been enforced in practice.

1939. In Burma, Indonesia and the Philippines and in some provinces of India there is as yet no legal provision for the grant of maternity benefits and no country in South-east Asia has yet made a beginning in the field of sickness insurance.

The main lines on which labour legislation in South-east Asia should develop in the near future are, therefore, clear. First, the scope of such legislation should be extended to cover at least all the more important classes of wage earners, viz., agricultural labourers, wage earners employed in the non-power using workshops and shop workers. The needs of all these classes of wage earners are of course not identical. For agricultural wage earners the most urgent need would seem to be the establishment of statutory minimum wages; for the other two classes of wage earners labour legislation should in addition provide for the regulation of the daily hours of work, prohibition of night work of women and young persons, the abolition of child labour and the grant of weekly and annual holidays with pay. Secondly, the content of labour legislation in all the countries should be considerably broadened to include (i) the fixation and enforcement of minimum wages in agriculture and the more important spheres of economic life where the bargaining power of labour is known to be weak, and (ii) provision against the risks of employment injury, sickness, involuntary unemployment and child-birth. Thirdly, in all the countries of South-east Asia it would seem to be necessary for the State to step in and protect more effectively the workers' right to set up trade unions and insist on collective bargaining. Well organized trade unions are ultimately the most effective instruments in securing the proper observance of labour legislation, and there seems to be some justification at least for the complaint that hitherto employers in South-east Asia have not infrequently tried to weaken trade unionism by (i) dubbing legitimate trade union activity as either political or communist propaganda; (ii) insisting that the spokesmen of trade unions should be themselves workers even when it is obvious that the workers are illiterate, not fully conversant with the provisions of labour legislation and likely to need for a considerable time to come the effective leadership of outsiders; and (iii) denying access to the workers' living quarters in plantations to trade union leaders and workers.

On all these subjects the Preparatory Asian Regional Conference of the International Labour Organization which met in New Delhi in October-November 1947 has given a decisive lead. By a timely resolution on wage policy the Conference has requested the governments of Asian countries 'to formulate appropriate legislative and administrative measures to set up statutory wage boards on which workers and employers will be equally represented, with such numbers of independent persons as may be considered desirable, and with power to fix fair wages and standard wage rates, and to provide cost of living allowances measured by index numbers built and periodically revised on the basis of family budget enquiries.' By another resolution on 'Programmes of Action' the Conference has urged all Asian countries to recognize that 'the principle of Freedom of Association and the effective guarantee of the right to organize and to bargain collectively are indispensable for

the improvement of labour standards,' and recommended that each Asian country should prepare early a national programme of action spread over a period of years designed progressively to secure the application in its territory of existing international labour standards. Such programmes of action, the Conference has recommended, should cover the following subjects.

- '(a) the application and extension of the 48-hour week;
- (b) the regulation and limitation of hours of work in establishments including plantations, to which the 48 hour week is not practicable of application;
- (c) establishment of suitable wage-fixing machinery;
- (d) the provision of weekly rest periods, holidays with pay and the elimination of all forms of forced labour;
- (e) promotion of industrial health and safety for workers;
- (f) provision against risks brought about by employment injury, occupational diseases, sickness and involuntary unemployment, and maternity protection;
- (g) prohibition of night work for women and young persons;
- (h) the regulation of the age of admission to employment; in particular, measures for promoting the elimination of child labour; and
- (i) measures for the elimination of abuses associated with recruitment of labour.'

A new awakening, both political and economic, is today sweeping over South-east Asia and almost all the countries in the region are either already free or are on the verge of freedom. Most of the countries, again, have on hand large-scale plans of economic development and reconstruction. Political freedom and economic development, however, will have a real meaning for the peoples of South-east Asia only if conditions of work in Asia's factories, fields and shops are made tolerable by an effective programme of labour legislation drawn up on the lines indicated above; and, the spectres of want and destitution are effectively eliminated by the immediate creation of machinery which will help to secure for the wage earner a living wage and the simultaneous expansion of schemes of social security as national economic development programmes steadily augment the national dividend.

## INDIA AND THE WORLD

### PARTICIPATION IN INTERNATIONAL CONFERENCES AND COMMITTEES

INTERNATIONAL TRADE ORGANIZATION CONFERENCE:  
HAVANA: JANUARY-MARCH 1948

The Conference continued its work during the quarter under review. The Employment and Economic Activity Committee concluded its work of consi-

dering the reports of the sub-committees and formulated an agreed text to be passed to the Central Drafting Committee by the scheduled date. The Commercial policy Committee continued its discussion of the demands, made by countries industrially backward, for development by the use of quantitative restrictions on trade such as import quotas and preferential tariff systems to protect new industries. The committee also discussed the question whether undeveloped countries should be authorized to impose such restrictions before they had been approved by the I. T. O. India and Pakistan favoured such authorization.

Discussing the proposed provisions in the International Trade Charter on control of restrictive business practices, Mr. R. N. Banerjee pleaded for more give-and-take and less legalistic quibbling. Mr. Abdel Aziz Zayed of Egypt said that each country must be free to decide what type of investments it needed. Mr. G. C. S. Korca of Ceylon said it was necessary that the Article should include the principle that every country was absolutely free to decide for itself what investments it wanted and to fix terms and conditions of acceptance. On 6 January Mr. B. N. Adarkar was elected Chairman of the International Trade Organization Sub-committee examining Article 13 dealing with governmental assistance to economic development. On 31 January the Conference observed silence in honour of Mahatma Gandhi and a Syrian delegate praised his services for India and the world. On 11 March the Leading Committee of the I. T. O. decided that any political matter brought before the U. N. O. should not be subject to the provisions of the I. T. O. Charter. Australia, South Africa and the U. K. proposed amendments to the decision which was embodied in the draft of a proposed new Article to the I. T. O. Charter asking for the exclusion from the Charter provisions on all matters wholly or partly of a political nature. The Conference approved a few general exceptions to the Charter, including special trade arrangements between India and Pakistan.

On 17 March, a plenary session of the Conference under the chairmanship of Sardar H. S. Malik of India adopted a resolution establishing an Interim Commission to carry on from the conclusion of the present conference until the first regular I. T. O. Conference had been convened. On 20 March the Interim Commission elected an 18-member Executive Board and an Executive Secretary. The Board includes India. Mr. Dana Lilgresen of Canada was elected Chairman and Sir. N. R. Pillai, one of the three vice-Chairmen of the Board. On 24 March, the Conference signed the International Trade Charter which establishes an International Trade Organization whose members would be pledged to observance of the code to increase employment and reduce barriers of all kinds. Regarding the question of eliminating tariff preferences and restrictions or quotas on imports and exports, the charter accepts the general principle that all members should share tariff benefits granted to any country and these preferences should be gradually eliminated through negotiation. The charter authorizes the use of quotas to aid the development of national industries in certain cases provided they conform to certain principles or are approved by the I. T. O. beforehand. Such quotas should be non-discriminatory. The Charter also provides that discriminatory import restrictions in

force on 1 March 1948 not exceeding in extent the exchange restrictions authorized by the International Monetary Fund may be continued.

UNITED NATIONS SECURITY COUNCIL: NEW YORK:  
JANUARY-MARCH 1948

Referring the Kashmir issue to the Security Council, the Government of India submitted a memorandum to the council on 1 January requesting that the Pakistan Government be asked:

(i) to prevent its personnel, military and civil, from participating in or assisting the invasion of Jammu and Kashmir State;

(ii) to call upon its other nationals to desist from taking any part in the fighting in Jammu and Kashmir State;

(iii) to deny to the invaders (a) access to and use of its territory for operations against Kashmir, (b) military and other supplies and (c) all other kinds of aid that might tend to prolong the present struggle.

The memorandum added that if Pakistan did not stop its aid to the Kashmir raiders the India Government would be compelled to enter Pakistan territory for taking military action against the raiders.

The Indian Delegation consisted of N. Gopalaswami Ayyangar (Leader), M. C. Setalvad, M. K. Vellodi, Sheikh Abdullah, (and later) Sir Girja Shanker Bajpai (delegates), Col. B. K. Kaul and P. N. Haksar (Advisers). Pending the arrival of the delegation from India, Dr. P. P. Pillai was in charge of the Indian case. Sir Zafrullah Khan, the Pakistan Foreign Minister, led the Pakistan delegation.

The Council opened its debate on 6 January on the Jammu-Kashmir question. Dr. Pillai urged its immediate consideration in view of the urgency of the question to India. But as Sir Zafrullah Khan could not reach New York, the Council met on 15 January when Mr. Ayyangar spoke pleading for not only urgency but immediacy of action.

On 17 January Sir Zafrullah presented counter-charges against India stating that (i) the Kashmir question was only a part of the bigger problem affecting the general relations between the two Dominions, (ii) that the present conflict had its origin in the events in the Punjab and in India's attitude towards the accession of Junagadh and other states to Pakistan, (iii) that a pre-planned and extensive campaign of genocide had been carried out in India, (iv) that India had never wholeheartedly accepted partition and had since June 47 been making persistent efforts to undo it and (v) that India obtained Kashmir's accession by fraud and violence etc.

On 17 January the Belgian President of the Council proposed that the Council should call on the Indian and Pakistan Governments to take immediate measures to improve the situation and avoid anything that might aggravate the position. The resolution was passed. In pursuance of Mr. Noel Baker's suggestion on 17 January, informal exchange of views took place between the Indian and Pakistan delegates. The president of the Council submitted a proposal to send immediately to Kashmir a United Nations Committee of Good Offices consisting of three members, one chosen by India, one by Pakistan and the

third by himself, but acceptable to both the parties. But a deadlock arose on the functions and powers of the Committee—Pakistan insisting on the widest powers possible which would include power to order a cease-fire and ensure its observance; freedom to consult all parties concerned on equal terms including representatives of the 'Free Kashmir' Movement; full powers to act in the nature of a neutral administration which would organize and supervise the holding of a plebiscite throughout the territory. The Indian delegation opposed such sweeping powers and functions and urged that the field of action be confined to stopping the fighting, ensuring observance of peace by both parties and to acting as observers during the holding of a plebiscite by the present Kashmir administration. India urged that the terms of reference be clearly specified. The Commission should deal only with fighting in Kashmir which was the only danger to international peace.

The resolution was headed 'On Jammu and Kashmir Question.' Sir Zafrullah objected to this heading on the ground that it had been previously agreed that these words be dropped in favour of 'India-Pakistan Question.' The President agreed and ruled that the words be changed as they were wrongly included. Mr. Ayyangar countered by stating that whether the words were retained or not, it should be clearly understood that the resolution could relate only to the Jammu and Kashmir question which was the only item on the agenda. Nine voted for the resolution, only Russia and Ukraine abstaining. When the parties met to draft the conditions of the plebiscite, India demanded that, as a first step, Pakistan be asked to stop giving aid to raiders and affirmed that withdrawal of Indian troops from Kashmir could not be made one of the conditions for the holding of the plebiscite. Subsequently the Indian delegation submitted a proposal to the Council stating that the first objective should be stoppage of fighting and the next, restoration of peace and normal conditions. They informed the Council that the resolution of the President providing that the plebiscite should be organized, held and supervised under the Council's authority and that the Council's Committee should take into consideration that, among the duties incumbent upon it, were included those which would tend towards promoting the cessation of acts of hostility and violence, was unacceptable to India as it stood, for it put the cart before the horse. On 30 January the Council adjourned after standing in silent tribute to Gandhiji. The President of the Council and others paid glorious tributes to his life and work.

On 5 February Sheikh Abdulla spoke emphasizing Pakistan's help to the raiders. India chose Czechoslovakia as her nominee on the proposed U. N. Kashmir Committee. The session adjourned on 12 February to enable the Indian delegation to leave for Delhi and consult with the Indian Government. Speaking on 10 March on return, Mr. Ayyangar said that India would not agree to any change in the present administration of Kashmir as a condition precedent to the holding of a plebiscite.

On 18 March, the Chinese President of the Council submitted a draft compromise plan. Its main points are: Pakistan should undertake to use its best endeavours to secure the withdrawal from Jammu and Kashmir of intruding tribesmen and Pakistan nationals; the Indian Government should arrange

(a) for progressive withdrawal from Jammu and Kashmir of such of its troops as are not required for purposes of defence and security and (b) for stationing the remainder at such points as not to afford any intimidation to inhabitants of the state; should undertake to establish a plebiscite administration with sole and full authority to administer a plebiscite on the question of Kashmir's accession and agree to appoint six nominees of the U. N. Secretary-General as Director, and Assistant and Regional Directors of the plebiscite administration. Such nominees would be formally appointed by the Kashmir Government which would also formally promulgate the regulations for the plebiscite drafted by the Director. Speaking on the draft resolution, Mr. Ayyangar generally supported it, though he stated, it meant further concessions by India. He said 'We may have something to say about details of certain clauses and about the contents of the preamble. . . . We are very keen that fighting in Jammu and Kashmir should stop at the earliest possible moment.'

WORLD MARITIME CONFERENCE: GENEVA: 19  
FEBRUARY 1948

The Indian delegation comprised Sir N. R. Pillai (Leader) and Sir A. Ramaswami Mudaliar, among others. The Conference, which was called by the U. N. Economic and Social Council, was attended by 120 delegates and shipping experts from 36 countries. On the opening day the delegates from Norway, Sweden, Denmark and Finland, supported by Australia, opposed the formation of an inter-governmental maritime organization to end discriminatory shipping practices. They said that the organization, if established, should deal with only technical problems such as safety rules. Australia suggested that maritime problems be dealt with by a sub-commission of the Economic and Social Council. Supporting the establishment of the new organization, those from India, China, the U. S. A., Britain and Eire said that it should deal with the elimination of restrictive practices. Condemning the 'efforts by countries with centuries old shipping interests' to prevent the abolition of restrictive practices, Sir Ramaswami Mudaliar said: 'Shipping is the foremost interest which must be considered by the United Nations. This vast subject must not be delegated to a Commission of the Economic and Social Council.' On 27 February the Conference appointed 12 nations including India to be represented on the Council of the proposed World Maritime Organization. The Constitution of the new organization provided for election of representatives of four or more countries by the Assembly of the new organization. On 2 March the Conference chose London as the world headquarters of the proposed organization. The question was discussed whether to make the organization a new specified agency of the United Nations or simply a Commission of the Economic and Social Council. On 5 March the Conference set up the Inter-Governmental Maritime Consultative Council (I.M.C.O.) with headquarters in London to deal with technical problems and questions of discrimination and restrictive practices by governments and private shipping firms. The organization will come into existence when 21 countries have approved it. Till then a 12-nation Preparatory Committee consisting of Argentina, Australia, Belgium, Canada,

France, Greece, India, Holland, Norway, Sweden, Britain and the U. S. will act.

SOUTH-EAST ASIAN YOUTH CONFERENCE: CALCUTTA: 19  
TO 27 FEBRUARY 1948

The aims of the Conference were to strengthen the common struggle of the youth of South-east Asia against imperialist oppression, to help in the development of youth unity, to carry out the tasks of youth and student movement, to ascertain the needs of worker, peasant and student youth in South-east Asia and to strengthen the links between youth and student organizations of these countries. The Conference was sponsored by the World Federation of Democratic Youth and the International Union of Students. Delegates from Viet Nam, China, Indonesia, Burma, Malaya, Ceylon, Nepal, Pakistan and India attended. Representatives had also come from Yugoslavia and Australia representing the two sponsoring bodies. Mr. Jean Lautisseur, personal representative of the President of the World Federation of Democratic Youth presided. On 19 February, the Conference adopted two resolutions paying homage to the memory of Mahatma Gandhi and the youth martyrs of South-east Asia. The two Indian Students Congress organizations and some other organizations dissociated themselves from the Conference because of the undemocratic procedure adopted in the formation of the National Preparatory Committee and the Indian delegation to the Conference and also because of the alleged Communist domination of the proceedings.

F. A. O. RICE CONFERENCE: BAGUIO: 1 TO 16 MARCH 1948

The Conference was called to examine and take decisions on the recommendations made by the Rice Study Group which met in Trivandrum in May 1947. While the respective governments undertake research and experimental work in connexion with increased production of rice, international action is called for on problems such as improvement and standardization of statistical and economic services, the use of better methods of cultivation, control of pests and diseases, maximization of supplies through various measures of milling economy, prevention of waste in transit and the storage and rehabilitation of transport in all the South-east Asian rice-producing countries. Thus this was a conference of experts and administrators.

The Indian delegation consisted of Mr. S. Y. Krishnaswamy (Delegate) with Dr. K. Ramaiah, Dr. V. N. Patwardhan and Mr. J. S. Raj as Advisers.

On 1 March the Philippine Vice-President Elphidio Quivinio opened the Conference and made a strong appeal for a satisfactory solution of the rice problem which he considered a prerequisite to the rehabilitation of the war-torn economies of Asian and Far Eastern countries. Mr. James Mcaush, an F.A.O. expert, appealed to the delegates to strive for positive results towards alleviating Asia's and world's food shortage. Senor Joaquin Elizalde, the Philippine Ambassador to the U. S. A., was unanimously elected Chairman of the Conference. Delegates from India, Pakistan, Burma, Britain, the U. S. A., Egypt, France, China, Netherlands, Paraguay, Australia, Siam, Portugal,



Chile and Liberia attended the Conference. There were also observers representing the Supreme Command, Allied Forces in the Pacific, the U. S. Military Government in Korea, the International Red Cross, the UNESCO and World Health Organization.

The Indian, Chinese and the Philippine delegations made concerted efforts to secure more autonomy in shaping the rice policy of the International Food Council. They contended that 90 per cent. of the world's rice production and consumption was in Asia. On 2 March the different delegates exchanged factual information as the first step to find a solution to the rice shortage. The delegates of Australia, Burma, French Indo-China, Mexico and the U. S. said that their exportable surpluses were annually increasing. The delegates of China, India, the Netherlands East Indies, the Philippines and the United Kingdom stated that their rice harvests were steadily on the increase. Mr. Krishnaswamy said that India must import at least 1,700,000 metric tons of rice this year and that the Indian Government was intensifying rice cultivation which 'should greatly alleviate shortages by 1953.'

On 10 March the Conference decided to create an International Committee of scientists and technicians to improve and increase the world's rice crops. The Far East Regional Office of the F. A. O. will organize the technical group from candidates put up by the rice-growing member nations and divide it into three sub-committees. The Conference empowered the International Organization Sub-Committee to draft a constitution for the Rice Group which gives the non-Asian nations only Associate Membership while the Asian nations become full members. The proposed functions of the Committee are to formulate scientific and economic problems of production, conservation, distribution and consumption; secondly, to promote and co-ordinate research and thirdly to undertake co-operative projects and make recommendations to member governments and the F. A. O. The Conference made a good start in the systematic planning of rice programmes as well as a rice conservation campaign. The delegations from Siam, Burma, the Philippines etc. resolved to recommend to their respective governments the utilization of limited technical facilities, especially the control of water supply, fertilization plant, breeding and irrigation for improving rice production. The Conference decided on 16 March that the seat of the Regional Office of the F. A. O. be chosen by the members on the basis of a two-year rotation system.

## DELEGATIONS AND MISSIONS

INDIAN GOODWILL MISSION TO MALAYA: DECEMBER  
1947-MARCH 1948

The two-fold object of the Mission was to study the conditions of Indians in Malaya and to cement the friendly relations between India and Malaya. The Mission consisted of Sa Ganesan (Leader), K. V. Al. M. Ramanathan Chettiar and S. Viswanathan (Secretary). It toured Malaya extensively for 10 weeks visiting important places and holding discussions with various organizations and public bodies, including Labour Unions. The members also

visited several estates, both Indian and European, to acquaint themselves with the conditions of Indian labour.

AUSTRALIAN SCIENTIFIC DELEGATION: JANUARY-  
FEBRUARY 1948

The delegation consisted of Sir John Madsen, Professor of Electrical Engineering and Dean of the Faculty of Engineering, University of Sydney (Leader), Sir Carr Grant, Professor of Physics, Adelaide University, Prof. J. S. Prescott and R. G. Thomas and G. B. Gresford of the Australian Council of Scientific and Industrial Research. The scientists came on the invitation of the Government of India and spent six weeks in India visiting Calcutta, Tatanagar, Madras, Bombay, Bangalore, Hyderabad etc. visiting the scientific and industrial institutions and acquainting themselves with the latest conditions in India regarding the scientific and industrial progress in the country.

INDIAN ARMY DELEGATION FOR THE UNITED KINGDOM:  
21 FEBRUARY-10 MARCH 1948

The delegation's object was to discuss with the Indian High Commissioner and the British Commonwealth Relations Office defence questions arising from the transfer of power and to conclude administrative and financial details and ~~make~~ arrangements for procuring military stores. The delegation consisted of H. M. Patel, Secretary, Defence Ministry (leader), Gen. F. R. Bucher and A. K. Chanda.

The Mission had arranged for the recruitment of civilian technical and scientific personnel for some of India's ordnance factories. The aim of recruitment was to bring ordnance factories, where feasible, into service in connexion with production of consumer goods.

NON-OFFICIAL GOODWILL AND FACT-FINDING MISSION TO  
INDO-CHINA: FEBRUARY-MARCH 1948

The delegation consisted of V. Nadimuthu Pillai (Leader), T. S. S. Pillay, Vishwanathan, Palanippa Chettiar, Janab Abdul Ajeez and Hameed Maracayar.

Its aim was to study the actual position of Indian nationals in Indo-China and to suggest ways and means of redressing their grievances and solving the problems outstanding for nearly a decade. Indians are engaged in trade, industry and professions. The French agreed to a total withdrawal from Indo-China of 50,000 dollars and remittances by them to their dependents in India not exceeding Rs. 200 a month per head. Since the number of persons, who have necessarily to make remittances is larger than the sum allotted for the purpose will permit, priorities have had to be laid down under which system no one will get a permit for remittance unless he gets a certificate from the Indian Consular authorities that the applicant deserves priority being a person belonging to the poorer sections of the community. Endless difficulties have arisen in proving to the satisfaction of consular authorities that the applicant is really poor in the sense contemplated under the remittances agreement. There are also questions connected with the property and trading rights of Indians in the colony in the new set up and the methods whereby trade between

the two countries may be re-established on the freer terms which obtained before the war. The delegation met the French High Commissioner and other high Government officials and placed before them the whole case of the Indian nationals in Indo-China. The High Commissioner promised to end all discrimination against the Indians. The delegation attended a big conference of all Indian nationals and was successful in welding several Indian associations into one organization representing all interests, thus facilitating negotiations with the Government on behalf of the Indian community.

#### SUDANESE COTTON DELEGATION: MARCH 1948

The Delegation consisted of Dr. John Smith, A. R. John, A. P. Barlow and L. E. Vafiadis. The object of the delegation, which represented various Sudanese cotton interests, was to negotiate with the Indian Government terms for the sale of long staple Sudanese cotton. But the negotiations failed as a result of fundamental differences between the viewpoints of the Indian and Sudanese delegations in regard to the price that India should pay for Sudanese cotton—India insisting that the prices be linked with the East African and other African cottons as had been the case during the last four years and the Sudanese delegation suggesting that the prices be linked with the prevailing Egyptian cotton prices.

#### BURMESE INDUSTRIAL DELEGATION: MARCH 1948

The delegation consists of U Mya, Vice-Chairman, Burma Planning Committee (Leader), U Tun Yin and U Pe Tet. The object of the delegation is to tour India and Pakistan with a view to make a personal study of the methods and pace of industrial development in the two countries and to submit a report to the Burmese Government on the prospects of future trade relations between these countries and Burma. During its visit to Delhi, the delegation met the Indian Prime Minister and Ministers for Commerce, Industries and Food. It has covered Calcutta, Bombay, Hyderabad, and Mysore and visited the important industrial institutions therein.

### ASSOCIATIONS IN INDIA INTERESTED IN FOREIGN COUNTRIES

#### THE CZECHOSLOVAK SOCIETY, CALCUTTA

The object of the Society is to 'unite all Czechoslovaks and friends of the Czechoslovak Republic in Eastern India' and to maintain and promote the spirit of national and State unity; to strengthen cultural and commercial relations with Czechoslovakia and to widen Indian public interest in Czechoslovakia by propaganda in the press, lectures, dance, musical and other social functions and to inform members about conditions in Czechoslovakia and institutions therein about matters of interest in India; to represent members as a whole before local or Czechoslovak consular authorities and to represent the Czechoslovaks at all official and non-official, cultural and public functions in Eastern India and to support charitable institutions in India and Czechoslovakia as well as needy members and Czechoslovaks.

There are three categories of membership—Ordinary, open to any Czechoslovak or foreigner but of Czechoslovak origin above the age of 18; Associate, open to those who sympathize with the aims of the society, but without the right to vote; and Honorary, confined to those members rendering extraordinary service to the society. There are three grades of subscription fees, Rs. 5, 10 and 15 for Ordinary and Associate membership and each member could choose his own grade. There is no subscription fee for Honorary members, who are elected by the Committee of the Society and approved in a General Meeting which is held once a year and elects the Committee. The Committee consists of the President, two Vice-Chairmen, Secretary, Treasurer, Propagandist, a Representative of members outside Batanagar, where the Society is located, two Substitutes, Correspondent, and two Organizers. The address of the Society is, 'The Czechoslovak Society, Batanagar, 24 Parganas, Bengal.'

## INTERNATIONAL COMMITMENTS OF INDIA

LETTERS EXCHANGED BETWEEN THE LEADERS OF THE INDIAN AND  
THE U. K. DELEGATION ON STERLING BALANCES AGREEMENT

*Letter A.*

### UNITED KINGDOM FINANCIAL DELEGATION

COMMANDER-IN-CHIEF'S HOUSE,  
NEW DELHI

15 February, 1948

Dear Mr. Narahari Rao,

As a result of the consultations provided for in Article XI of the Agreement signed in London on 14th August, 1947 (hereinafter called 'the principal Agreement') between the Government of the U. K. and the Government of India, the following arrangements have been agreed upon between our two Governments for the extension of the principal Agreement.

1. (a) The Government of the United Kingdom has taken note of paras. 2, 3 and 4 (a copy of which is annexed to this letter) of the Minutes of the proceedings of the Partition Council held on 1st December, 1947 (Case. No. PC/218/20/47) recording the agreement (hereinafter called 'the India/Pakistan Agreement') reached between the Government of India and the Government of Pakistan for the maintenance by the Reserve Bank of India of a separate account or accounts for sterling received or paid on and after 1st January, 1948 in respect of current transactions affecting Pakistan or for sterling transferred after that date from the No. 2 Account by agreement between the Government of the United Kingdom and the Government of Pakistan.

(b) The Government of the United Kingdom will accordingly enter into separate arrangements with the Government of Pakistan in regard to these and other matters covered by the principal Agreement for the period subsequent to 31st December, 1947.

2. The Government of the United Kingdom further takes note that:—

- (a) the Reserve Bank of India will transfer from the No. 2 Account to be opened for the conduct of current transactions relating to Pakistan (hereinafter called 'the Pakistan Account') the sums agreed between the Government of the United Kingdom and the Government of Pakistan to be made currently available to Pakistan.
- (b) the Reserve Bank of India will also transfer from the No. 1 Account to the Pakistan Account a sum determined in accordance with para. 4 of the India/Pakistan Agreement plus a sum determined by the Reserve Bank of India as representing receipts on behalf of Pakistan from 1st January 1948 to the date of the opening of the Pakistan Account, less a sum determined by the Reserve Bank of India as representing payments made on behalf of Pakistan from 1st January 1948 to the date of the opening of the Pakistan Account.
- (c) the Reserve Bank of India will from time to time make transfers in either direction between the No. 2 Account and the Pakistan Account in respect of such items as the Government of the U. K. and the Government of Pakistan may agree, in so far as they relate to transactions of Pakistan in terms of the Agreement which the Government of the U. K. propose to make with the Government of Pakistan in accordance with para. 1 (b) of this letter.

The Government of India will forthwith issue to the Reserve Bank of India any instructions which may be necessary to enable the Reserve Bank of India to carry out the foregoing arrangements.

3. The principal Agreement as modified in this letter shall be extended to 30th June, 1948 and shall be interpreted where appropriate in accordance with the provisions of this letter. The extension shall come into force on 15th February, 1948 but shall have effect in all respects as from 1st January 1948.

4. The extension now agreed upon shall relate only to the Dominion of India and Article X (a) of the principal Agreement shall be interpreted accordingly.

5. There shall be transferred from the No. 2 Account to the No. 1 Account the sum of £18,000,000.

6. The Government of India will co-operate with other members of the sterling area in conserving the exchange resources of the area by limiting expenditure in the territories listed in para. 7 of this letter to the fullest extent compatible with the purchase of India's essential needs. In pursuance of this policy, the G/I will take steps to purchase part of their requirements of U. S. dollars from the International Monetary Fund. Further, the G/I undertakes so to limit expenditure between 1st January 1948 and 30th June, 1948 in the territories listed in para. 7 as to ensure that such expenditure does not exceed receipts from those territories together with the dollars to be purchased from the I. M. F., by more than £10,000,000. Provided that the amounts required to be paid by India to the I. M. F. by way of charges shall not be included in the computation of this sum of £10,000,000. Article III 2 of the principal Agreement shall be modified accordingly.

7. The territories to which reference is made in para. 6 of this letter are the following:—

The whole of the Continent of North, Central and South-America and adjacent islands but excluding territories which are part of the sterling area, the Dutch monetary area and the French franc area.

The Belgian monetary area.

Japan.

The Philippines.

The Portuguese monetary area but excluding Portuguese India.

Sweden.

Switzerland and Liechtenstein.

8. Further consultation shall be held before the termination of the principal Agreement as extended by this letter with a view to extending it further or replacing it by another Agreement or other Agreements.

9. I should be grateful to have your confirmation that this letter correctly sets out the understanding reached between us and that it, together with your reply, shall constitute an extension, in the terms of para. 3 of this letter, of the ~~principal~~ Agreement.

Yours sincerely,  
SD. JEREMY RAISMAN

V. Narahari Rao Esquire, C. S. I., C. I. E.  
Ministry of Finance, New Delhi.

EXTRACT FROM THE MINUTES OF THE PARTITION COUNCIL  
HELD ON 1ST DEC. 47

*Case No. PC/218/20/47.*

*Sterling assets of the R. B. of India*

2. The two Dominions will negotiate separately with HMG for releases beyond 1-1-48. The Reserve Bank will open a separate account or accounts with the Bank of England to which will be transferred from its present account No. 2 a sum equivalent to the release made by HMG to Pakistan together with the amount fixed as Pakistan's working balance. Pakistan's exchange operations will be conducted through these accounts. In assessing the total sterling holdings of the Reserve Bank for purposes of para. 1 (a) above, the amounts standing in the Reserve Bank's Accounts Nos. 1 and 2 will be taken into account together with the amounts in the 'Pakistan' accounts with the Bank of England either through the Reserve Bank or otherwise.

3. From the 1st January 1948 onwards, each Dominion will retain separately its own foreign exchange earnings and its own foreign exchange expenditure will be debited against these earnings. By the term 'its own' earnings or expenditure is meant the earnings arising out of exports from, and the expenditure due to imports into, ports within the territory of each Dominion. Invisible earnings and expenditure will be allocated according to the territory in which the transaction giving rise to them takes place.

4. The Government of India will transfer from Account No. 1 of the Reserve Bank of India to the similar account of Pakistan when established a sum in sterling equivalent to the difference between Rs. 6.95 crores and the c.i.f. value of 'limit' items actually imported into Pakistan ports between the 1st July, 1947 and the 31st December, 1947.

Provided that if India is not allowed to carry forward the entire sum standing to its credit in Account No. 1 on 31-12-47, the payment above mentioned will be reduced in proportion to the reduction in the amount agreed to be carried forward.

MINISTRY OF FINANCE, NEW DELHI

*The 15th February, 1948*

Dear Sir Jeremy Raisman,

I have to acknowledge your letter of today's date reading as follows:—

*(Here follows the text of letter A.)*

I have pleasure in confirming that the understanding of your Government, as set out in that letter, is accepted by my Government.

Yours sincerely,  
SD. V. NARAHARI RAO

Sir Jeremy Raisman, GCIE, KCSI.  
Leader of the UK Financial Delegation,  
New Delhi.

#### UNITED KINGDOM FINANCIAL DELEGATION

*Letter B.*

COMMANDER-IN-CHIEF'S HOUSE,  
NEW DELHI.

*15th February 1948*

Dear Mr. Narahari Rao,

On the conclusion of the discussions leading up to the exchange of letters extending the Financial Agreement of 14th August 1947 which you and I have signed today on behalf of our respective Governments, I wish to express my appreciation of the spirit of cordiality and understanding which has been a feature of the negotiations.

It is understood on the part of the Government of the United Kingdom that the extension of the Agreement is of an interim nature to cover the period up to 30th June 1948, and that it is without prejudice to any subsequent discussions regarding India's sterling balances.

Certain matters agreed in London in July and August 1947 between you and Sir Wilfrid Eady are recorded in the four letters which were exchanged on 14th August 1947 regarding India's Post-War Dollar Fund, the Silver Redemption Reserve, the rate of interest to be earned on the sterling balances and Indian private sterling balances. It is further understood between us that the arrangements set out in these letters will remain in force for the period of the extended Agreement.

I should be grateful to have your confirmation that this letter is in accordance with the understanding of your Government.

Yours sincerely,  
SD. JEREMY RAISMAN

V. Narahari Rao Esq., C. S. I., C. I. E.,  
New Delhi.

MINISTRY OF FINANCE, NEW DELHI

15th February 1948

Dear Sir Jeremy Raisman,

I have to acknowledge your letter of today's date, reading as follows:—

*(Here follows the text of letter B.)*

I have pleasure in confirming that the understanding of your Government, as set out in that letter, is accepted by my Government.

May I on my part say how much we have appreciated the spirit of mutual sympathy and understanding which has pervaded the discussions between the two Delegations.

Yours sincerely,  
SD. NARAHARI RAO

Sir Jeremy Raisman, G. C. I. E., K. C. S. I.,  
~~Leader,~~  
U. K. Financial Delegation to India,  
New Delhi.

*Letter C.*

#### UNITED KINGDOM FINANCIAL DELEGATION

COMMANDER-IN-CHIEF'S HOUSE,  
NEW DELHI

15th February, 1948

Dear Mr. Narahari Rao,

In the letters which you and I have signed today, extending the financial Agreement between our respective Governments, it is provided that the Government of India will take steps to limit to the sum of £ 10,000,000 their net drawings upon the central reserves in respect of payments to the territories listed in para. 7 of my letter. It is understood between us that this figure includes the following items:—

- (a) United States dollar balances at 31st December, 1947 of banks in India in excess of the normal level of those balances; this excess we have agreed shall be considered to be the equivalent of £ 1,000,000.
- (b) The whole of the remaining balance of the sum of United States dollars known as India's 'Post-war Dollar Fund.' This means that by 30th June, 1948, India will have no further claim on the P. W. D. F.

I should be grateful to have your confirmation that this is also the understanding of your Government.

Yours sincerely,  
SD. JEREMY RAISMAN



V. Narahari Rao Esquire, C.S.I., C.I.E.,  
Ministry of Finance,  
New Delhi.

MINISTRY OF FINANCE,  
NEW DELHI,  
15th February, 1948

Dear Sir Jeremy Raisman,

I have to acknowledge your letter of today's date, reading as follows:—

*(Here follows the text of letter C.)*

I have pleasure in confirming that the understanding of your Government, as set out in that letter, is accepted by my Government.

Yours sincerely,  
SD. V. NARAHARI RAO

Sir Jeremy Raisman, GCIE., KCSI.  
Leader of the UK Delegation to India,  
New Delhi.

## REVIEWS AND NOTICES

### INTERNATIONAL AFFAIRS

THE FOREIGN POLICY OF SOVIET RUSSIA, VOL. I, 1929-36. By  
Max Beloff (London: O. U. P. Issued under the auspices of the R. I. A.,  
1947, 15 s.).

#### I

THE Soviet Union has come to assume an increasing importance in international affairs. In fact Russia is today one of the powers dominating the world stage. No study therefore of the political and economic prospects of the present-day world is possible without a clear understanding of the Soviet foreign policy. A fairly detailed study of this subject put out by the Royal Institute of International Affairs is very welcome and a very useful contribution for a survey of world affairs against the dominant Soviet background.

The present book is only volume one and covers the basic Soviet period from 1929 to 1936. This marks the early emergence of the Soviet from its rigid isolation and slow but marked entry into the international arena. For up to this time the whole of the Soviet foreign policy may be said to have been determined by its political aloofness partly out of its own internal weakness and partly because of the strong volume of prejudice directed against it by other countries, especially the big powers of the time who translated this into military action through a combined war on the newly-born Republic. During these stormy years of revolution, civil and foreign wars, famine and general havoc, Russia lost very considerable territories of great industrial importance as well as a large part of her Baltic coast line. These factors coloured the Soviet attitude towards the rest of the world and had continued down to the present day. This found expression in fact in the preamble to its first constitution of 1922 where is stated: 'Since the time of the formation of the Soviet Republics,

the States of the world have divided into two camps; the camp of capitalism and the camp of socialism. . . . .’ The shaping of the two camps has continued and now threatens to engulf the entire globe into another and more catastrophic war. The tracing of Russia’s foreign policy from this premise is therefore of immense importance. The first aspect of her early policy may be described as that of security, a severe caution that drove her into a shell, determined by her extreme suspicion and a realization of her weakness in bargaining with the big powers. She therefore opened her gate ways only to those in similar battered position, Poland, Turkey, China. In all cases the links were forged on the three major keynotes of ‘Non-intervention, Non-aggression and Neutrality.’ The Kellogg-Briand Pact for the renunciation of war first broke the first link in the chain of isolation. The chain was henceforth to be systematically battered down, even more so by economic factors brought into play through the Five Year Plan. The consolidated and growing prosperity of Russian economy in a world caught in the deadly malaise of depression with its resulting unemployment and social collapse was bound to attract world attention, not to speak of the economic effects of Russia’s position as a buyer and seller on world markets. The main purpose of Russia’s early treaties with her immediate neighbours was the preventing of these neighbouring States from becoming the base for a renewed interventionist struggle and to provide legal grounds for objecting to any activities thought to be preparatory for such an effort. The second tier of treaties was based on the idea of ‘the precovenanting of the permanent attitude of two States towards each other of explicit and indefensible neutrality. . . . .’ All these, however, did not cover the activities of the Third International which still continued to push forth its activities in all countries through the Communist Party cells in each.

The third phase of her diplomatic activity came when she sought to establish normal relations which had not recognized the régime as yet. This mainly included England and France. The rising of the German power resulted in the Franco-Soviet Non-aggression and Franco-Polish Non-aggression Pacts.

In the meantime Russia had almost taken the lead in the Disarmament Conference at Geneva. There is no doubt that the Soviet Union was desperately attempting to stave off war for that would have meant an end to the entire Russian experiment and an opening for the forces of reaction. Russia, however, never let any occasion go without reminding the world that basically there was no change in her foreign policy and she hardly believed that even these pacts would remove the danger of war menacing the U. S. S. R. Her attitude towards Germany, however, underwent a change with the rise of the author of their *Kampf* as the head of the Reich, until then Russia had aligned herself with the revisionism of Germany. Now she placed herself with those who opposed revision of the old treaties. In fact she declared that this could only lead to war.

Russia had made a good bid and succeeded in the early days of the Chinese Revolution in fortifying herself there. But the rise of Chinese vested interests and Chiang’s alignment with them turned the tide. This very decline, however, eased Russia’s relationship with Japan but not for long. The developing

ties between Germany and Japan clearly indicated which way the wind was blowing. The Soviet union had come to occupy a prominent place among Japan's prospective antagonists. Russia's relations with China, however, continued to be friendly. Thus was the stage being set for World War II which far from destroying the Soviet power was to make it a more dominant one and one of the two leading powers of the world today.

(MRS.) KAMALADEVI CHATTOPADHYAY

AMERICAN INTERPRETATIONS: FOUR POLITICAL ESSAYS. By David Mitrany (London: Contact Publications, 1946, 6 s.)

This is a significant bit of political interpretation. It is extremely difficult to see the tumultuous stream of recent events fitting into a coherent pattern. This the writer attempts in the case of America. The result is good.

The New Deal involved a permanent revolution in American life, from rugged individualism to the birth of a national social conscience. So far there had been no labour movement comparable to those abroad. Each new wave of immigrants lifted all before and above it up the social and economic ladder. And there was the great, ill-adjusted pool of negro life.

In 1920 immigration ceased, legislation barred further waves, the land frontiers had been absorbed; when the country plunged into the great depression the old escapes were barred and closed for good. The country had to re-examine the fundamentals of the American way of life. It found that rapid progress has been bought at the cost of colossal waste, and that at least one-third of the people of a potentially rich country were living in misery and poverty.

A flood of legislative measures tried, by trial and error method, to deal with the situation. Gradually there arose the following solid and probably lasting results:

First, an extension of federal agencies and powers, especially in the field of (a) conservative and public use of public resources—such as storage dams and development of power stations and distribution of electrical energy; (b) public works; (c) T. V. A.; (d) National Labour Relations Board; (e) and Social Security Legislation.

Second, the growth of a new Labour Movement, and third, a new policy of friendly cooperation with the other countries of the American hemisphere. Taken together these things mean that there had taken place a fundamental change in American attitudes, and there could not be anything in the nature of reversal without revolution.

Essay Two points out the rise of a strongly organized labour movement protected by law. The labour movement was split between the progressive and aggressive Congress of Industrial Organizations which had vertical control, absorbing the whole labour of an industry, and the horizontal organization of the American Federation of Labour. All attempts at union have failed. The C. I. O., through its Political Action Committee, has played a notable part in the last two elections. Its grasp and portrayal of great economic, financial,

organizational and political problems has been equal in breadth, clarity and grasp of any pronouncement from the world of business and finance.

The labour movement has come of age, but it has to solve its own problem of disunity before it can play its destined rôle.

The third essay notes the new approach, since 1933, to the Pan-American problem. The Monroe Doctrine had been a one-way doctrine to be interpreted and enforced by the U. S. A. It now became a two-way doctrine to be interpreted and enforced by all American States acting together through agencies of their own creation and answerable to them collectively. American influence would probably not decrease, but would be exerted with the grain of Latin American life, and not against it.

And finally the last essay deals with American opinion and Foreign Policy. The decisions this opinion must make are:

(i) from isolation and sporadic action to continuous contractual engagements—in fact to entangling alliances perpetual and world-wide.

(ii) from non-intervention and hemispherism to regular interference abroad and acceptance of interference by others within the hemisphere.

(iii) from a constitutional and rigid check on the President's powers to permanent extension and increase of executive powers in connexion with such eventual international action.

The last three paragraphs are worth repeating:—

America has a strange political climate. It encourages strong political shoots from its democratic soil, and then it breaks them. In 1861-65, in 1914-18, in 1933-45—always in time of gathering crisis—the United States has brought forth a great leader. And every one of them was killed by the political system: Lincoln, tender-hearted and tough, by the ruthlessness of faction; Wilson, high-minded but impolitic, by a broken heart, baffled by the unscrupulous use of the political machine; Roosevelt, tough and high-minded and supremely politic, by the sheer strain of having to play politics with destiny.

Marty a European looks upon American politics as naive. If American politics be naive, American statesmanship is often inspired. The United States, after all, gave the world the federal idea, and now, as a development of it, the functional idea of the T.V.A.; she has also fostered the only active regional association among sovereign States. And it cannot be mere chance that in both World Wars her Presidents became the natural leaders of world opinion—not through any show of national power, but through the sheer breadth of their political outlook.

That is a fact which must always sober any European judgement of American politics. The frailty of the American system lies elsewhere. It lies in the perennial conflict between the broad stream of democratic life, which can give such faith and wisdom and opportunity to simple men, and the hardness of her political system, which can give such powers of denial to small groups of small men. The tension between the two sides of her political life bears heavily in times of crisis and

change--so heavily that, in one generation it has broken two great Presidents.

E. D. LUCAS

**WORLD AIR CONTROL BOARD: A PLAN.** By Sir Frank Clarke (Melbourne: Robertson & Mullens Ltd., 1947).

In the First World War, aeroplanes were used to a limited extent in the later stages of the war for bombing from the air. The resulting slaughter of civilians shocked mankind. The Treaty of Versailles merely attempted to prevent Germany from constructing military planes, but it forgot to note that once an aeroplane industry has been established and flying personnel trained, the conversion of civilian planes for military use or the production of military planes from such factories, was not a difficult task. In the intervening period between the two Great Wars, aviation made spectacular progress and some attempts were made to ban air bombing as a mode of warfare. When the Second World War started, aeroplanes were freely used by all combatants for bombing from the air both military objectives and civilian personnel. The resulting horror induced many persons, anxious for the future of mankind, to devise schemes to ensure permanent peace and if this cannot be ensured, then at least to make it impossible to use aeroplanes for combatant purposes in future wars. The present book is an attempt to describe a plan which the writer thinks would ensure that, in any future wars between nations, aeroplanes would not be used either for offensive or for defensive purposes. The book assumes that the Treaty of Peace was made in 1945 and an extract is given from the Treaty of Peace, showing that three Air Boards of Control were constituted—one for the European, one for the American and one for the Asian zone. These Boards were given the sole monopoly for the manufacture and ownership of all aeroplanes and their parts, of all air ports and of the right to operate all air transport services. No one else in the world was to be allowed either to manufacture or to own or to fly an aeroplane. The original members of each of these Boards were to be elected by the governments of the States included in the Zone, each State having one representative. After that, vacancies were to be filled by the remaining members of the Board and the Boards were to be independent of any government. Each Board had the right to keep a reasonable air fighting force to enforce its monopoly. The finances of the Board were apparently to come from the revenues earned by commercial transport and the Board received, apparently without payment of compensation, all the then existing aircraft factories and the patents and all air ports and equipment. The book then narrates what happened in the intervening period of 1945 to 1955 as written by one of the members of the Board in 1955 and how successfully it combated some attempts by different nations to start the manufacture of aircraft.

The Book must be classed among those which devise plans that are so obviously impracticable as to be termed 'utopian.' There is a great deal of wishful thinking in the book and serious difficulties are ignored in the hope that men would be reasonable. The writer assumes almost super-human qualities in the

members of the Board and in their employees. It is impossible to conceive that nations like the U.S.A. or U.S.S.R. will surrender their rights to own and operate aircraft in peace or war. Since each State has one representative, it is easy to see that the leading nations in the European and American Zones would be outvoted by the smaller ones. Under such circumstances the bigger nations would never agree to the continuation of such a plan. The difficulties which the Boards will experience in obtaining the raw materials for the manufacture of aircraft, the petrol and oil for their operation, since these have to come from a number of different nations, have not been given the consideration that they deserve. The Air Control Board could be held to ransom by the countries which produced aluminium, rubber and petrol. The next step, therefore, for the Air Control Board would be to secure a monopoly of these supplies. Finally, therefore, to be effective, the Air Control Board will have to be the Dictator of its Zone.

A further defect of the plan is that nothing is said as to what would be the relations between the Air Control Boards of the three Zones, who would control them and what would happen if disputes arose between the different Air Boards, leading to a war among themselves.

The inherent impracticability of a plan of this kind is obvious from what happened at the first International Civil Aviation Conference held in Chicago in November 1944. A proposal by the Australian New-Zealand delegates for internationalizing all civil air transport was turned down abruptly and almost unanimously and has never been revived. No country would be prepared to surrender one of its most powerful weapons of defence and offence. The best defence is offence.

The object of the plan is not to secure world peace but to secure the non-utilization of the air arm only for purposes of defence or offence and this solely on the ground that the air arm may be used for bombing innocent women and children. On this ground all arms whether by land or by sea which can be utilized for bombing civilians will also have to be prohibited. The progress of military science has consisted in devising weapons with which you could hit your enemy harder and harder and from a longer and longer distance. First, humanity fought with fists, then with sticks and stones and swords which became bigger and longer as time went on. The invention of gun-powder enabled the fighters to hit each other from a still longer distance and so we come to the invention of rifles and guns and of more powerful explosives than gun-powder. Why should air-bombing alone be prohibited when it is possible to bombard towns from ships at sea or from cannon on land causing damage to civilians? The days when wars were carried on by hired armies, and civilians stood aside and looked on as spectators, are gone. Modern warfare is total. The civilian who pays his war taxes and works for the production of munitions—and this includes all national activities—is fighting in the war as much as the soldier at the front. The civilian, therefore, must accept the risk as much as the soldier.

The plan of the author, apart from being utopian in character, is really unfair since it prohibits the use of one form of weapon for fighting while it allows all

other forms of weapons which might cause equal damage to civilians—women and children. Equal suffering can be caused to women and children by making it impossible for the country to obtain its food and other essential supplies. The author ignores that such forms of warfare have been practised in the past and in the old days when towns were besieged the local civilian population suffered from starvation and disease. It may be strongly and reasonably contended that a powerful air arm would shorten wars in the future and therefore would reduce the suffering involved in prolonged wars. The book was written before Hiroshima and the atom bomb and we wonder what the author would have done, if he had written his book after Hiroshima. The right and only method to prevent wars is to secure a *change of heart* among the peoples of the world, to conquer the evils of pride, avarice and greed, of hate and of self-love. It is not by banning particular weapons in warfare that we can secure peace or reduce suffering. A nation fighting for its existence is entitled to and will use every type of weapon it can. The great lesson which Mahatma Gandhi taught us and which has been taught by the great sages and saints of the past has been ignored by mankind and it is only by following those principles of tolerance, patience, goodwill and love that mankind can reduce its own sufferings and not by the kind of fantastic and utopian plan described in this book.

GURUNATH BEWOOR

EGYPT: AN ECONOMIC AND SOCIAL ANALYSIS. By Charles Issawi  
(London: Oxford University Press, Issued under the auspices of the  
R. I. I. A., 1947, 15 s.)

Issued under the auspices of the Royal Institute of International Affairs, Mr. Charles Issawi's picture of the Land of the Nile, in his book *Egypt*, is a collection of valuable information and data for the economist and the statistician. He has discussed the trend of events and of economic currents up to the beginning of the War, in 1939, except for an indication here and there of its influence on the financial situation of the country, due primarily to the sums spent by the American and British forces throughout its pendency and the transformation of Egypt, from a debtor to a creditor position, with almost £.400 million awaiting a satisfactory settlement with Great Britain. Mr. Issawi has drawn upon many sources of information, authoritative and otherwise, but his conclusions show rather an unhealthy leaning towards comparison with things Western, notwithstanding the fact that he describes Egypt, as a country distinct and apart from any other historically, geographically and even economically. This is true, as possessing a Mediterranean littoral does not make it a Mediterranean country, like Spain, Italy or Greece.

Egypt means the Nile, and the progressive reclamation of the desert through its dams and irrigation canals. The sight of the green belts on the two sides of the river and the yellow expanse of the sandy desert beyond them thrills the traveller by air and creates a respectful sense of admiration in his mind for the engineering and agricultural experts who are snatching away, piece by piece, areas from the desert and advancing step by step into it to provide food and living space for the growing population of the country.

The author deserves credit for the wealth of fact and argument with which he has advocated the case of the *fallabeen* against the landlords, who dominate the Parliament, the commerce, the industry and the general political economy of the land. The battle between the *Pasha* and the *Fallab*, has, so far, gone against the latter. Whether the tables will turn against the former in the present post-war age of upheavals and tremendous changes, has yet to be seen.

Mr. Issawi does not entertain favourably the idea of putting all the blame on the British occupation and the policies initiated by British High Finance in London, and enforced by its agents on the spot, leading to the deterioration and debilitation of the country and helping British merchants and industrialists to distribute larger and ever-increasing dividends to their share-holders. The Indian reader will find an astonishing parallel in the policies followed in Egypt and India. Banking, shipping and insurance, controlled by England and its privileged friends on the European continent, with the deliberate intention of keeping the country as a purely raw material producing region and selling it their manufactured goods, is not unknown to the Indian. Like the counter-vailing excise duties against textiles produced in India, Egypt too had to suffer them. Industries were not allowed to be started and whenever they were started, those who held power over the State, saw to it that they remained crippled. The Zaghlul talks of 1922, and the Nahas Treaty of 1936, did bring about a change, but even Mr. Issawi has to admit that the great scheme of raising the height of the Assuan Dam and generating electricity to work the large deposits of iron in its proximity, has not taken shape because England would lose its coal market in Egypt.

To cavil at the Egyptian Pasha and the Effendi class for its indifference, even callousness, towards the *fallab* and the *hammal*, may have some justification but to ignore the bondage of the Capitulations, lasting for decades, which thwarted every effort of the Egyptian leaders whichever side they turned for betterment, would be to ignore the one big reality that has kept the country down. The foreigners and their levantine henchmen occupied a privileged status in matters of taxation and in the Consular and Mixed Courts. Not under the Khadivial régime alone but even under the inter-war monarchical one, Cabinets came and went, not at the will and pleasure of the Sovereign but at the behests of the Super-Sovereign, residing in the British Residency and his soldiers on the Muqattam Hill and the Qasr el-Nil Barracks.

Under these conditions, the Egyptian Government and the two Houses of Parliament, were no better than a constitutional mockery. No statesman, however patriotic and far-seeing, could initiate any reforms or improvements, if the Residency—now the Embassy—did not approve them. Things are bound to improve in the clearer atmosphere after the war but evils inherent in the Capitulations and the Occupation, and the poison they injected into every pore of the Egyptian body politic, will take time to be eradicated. A small country, with a limited habitable area and a growing population, is a problem by itself. Solutions will be found not only for this but also for a better balancing of the financial, commercial, industrial and agricultural progress of the



country. Mistakes will, undoubtedly, be made but without the interference of the outsiders, they will be rectified and corrected. With its seaboard in Europe and in Asia, poised on the inter-continental cross-roads of the hemisphere, having oil, iron, cotton and the chances of generating as much electric power as it needs, Egypt, if left alone, bids fair to become a rich nation and its peasants and workers can look forward to better times and better and higher standards of living.

ABDUR RAHMAN SIDDIQI

AN INTRODUCTION TO INTERNATIONAL LAW. By J. G. Starke (London: Butterworth & Co., Ltd., 1947, 25 s.)

This manual of some three hundred pages on an extensive subject is a carefully prepared text book. It is intended for diplomatic recruits and university students, and the author's aim is to emphasize the practical standpoint though, as he says, the theoretical aspect is not overlooked.

As books on this subject get out of date quickly, students and others will be thankful for a volume which covers developments of the last few years. The subject of war receives scanty treatment. The law, it is said, is silent during war. Even when this is not wholly the case, each belligerent, being the sole interpreter of the law, interprets it to suit the convenience of the moment and, in consequence, flagrant violations of international law follow only too frequently. But surely if war is ever to be outlawed, the gradual process will have to be to bring the rules of war steadily within the ambit of international law.

In a book of this size and scope, one cannot expect a discussion of controversial questions. But not to indicate points of controversy, or to gloss over disturbing facts helps neither the diplomatic recruit nor the University student. Referring to the Nuremberg trial, the author admits that the agreement to set up a tribunal was without precedent in international law. Nevertheless he calls it not an inter-Allied but an international tribunal, even though the accusers and judges were all from among the victor powers, and not a single neutral sat upon the judicial bench. Yet the very bases of international law are international agreement and custom. The author himself describes custom in another connexion as a usage which has obtained the force of law. It must be a pattern of *actual behaviour*, a *de facto* observance of a rule. This tribunal rested neither on international agreement nor on international custom.

Again, it is stated that the 'Axis Powers . . . . . bombarded civilians by aircraft . . . . . remorselessly and relentlessly.' But about the devastations of the atom bomb he can only bring himself to say that the United Nations were not 'entirely innocent of bombing civilians.' This, though it is widely known that atom bombs were dropped a week *after* Japan had offered to surrender!

M. S. SHAHANI

NEGRO YEAR BOOK 1947. Edited by J. P. Guzman 1947 (Tuskegee Institute, Alabama U. S. A. \$ 4.50).

Some months ago a distinguished American Negro educationist, in introducing me to the Negro student audience of the Fisk university in the south, narrat-

ed a story which admirably sums up the Negro problem in the contemporary United States of America. The story was about an old Negro who had just moved into a new town and applied for membership at a white church. The white pastor was visibly embarrassed and soon the old Negro became aware that he was not wanted. There was an awkward silence but the Negro tried to save the moment by saying that he would go home, sleep over the question and perhaps the Lord would tell him what to do. Several days later the Negro met the pastor in the town. 'Well', teased the white minister, 'Did the Lord give you any advice', 'He sure did' was the reply. The Lord said, 'George, you aint got a chance. I have been trying to get into that white church myself for ten years in vain!' The sting in the Lord's reply can be felt in every sphere of life in the U. S. A. where Negro-white relations are concerned, relations embittered by the denial of equality to the Negroes on the most fantastic and mythical grounds.

The 13 million Negroes constituting 10 per cent. of the United States population are as old as the Americans hailing from the revolutionary stock, and they have contributed more than their share in the building up of the present day America though they have received in return through the centuries nothing but abuse and prejudice, discrimination and denials. This is the Negro problem and yet this problem is a white problem created by the white Americans and not by the Negroes. The problem is one of the many American stereotypes that distort thinking and make it difficult for whites to get themselves straight at what is really at issue. To speak of the Negro problem is to assume that it is the Negro who has created and still creates some profound difficulty for the whites, when, as a matter of fact, it is the whites who by their original enslavement and continuing maltreatment of the Negro have created and kept on creating profound difficulties for the Negroes and themselves. The problem arises when the dominant whites in physical control possess all the attributes and initiate practices inconsistent with their own loudly professed creeds of freedom and democracy. Gunnar Myrdal in his monumental survey of the Negro titled *The American Dilemma* says that the problem makes for moral uneasiness, apart from immeasurable physical violence and emotional misery. The very presence of the Negro in America, his fate and plight in the United States through slavery, Civil War and Reconstruction, his recent career, his present status, his accommodation, his protest and his aspiration; in fact his entire biological, historical and social existence as a participant American, represent to the ordinary American white man in the north as well as in the south an anomaly in the very structure of American society. To many, this takes on the proportion of a menace—biological, economic, social, cultural and at times political. This anxiety may be mingled with a subconscious feeling of individual and collective guilt, that is to those who think. A few whites see the problem as a challenge but to the many it is a menace to their accepted mores.

What, then, is the solution of the problem of the American Negro, being at once a part of and apart from the social milieu in which he lives and has his being? Hundreds of books have been written on the subject but the only

answer as the present writer sees it after a prolonged sojourn in the United States and some considered thought, is in amalgamation, yes, miscegenation. The substance of modern anthropology is that there is no where anything like 'racial purity' and if there should be, the United States is not the place to look for it, for is not America a veritable melting pot? When two peoples, physically and culturally apart, meet, certain intermingling is bound to take place. In the U. S. A. inter-racial marriages take place despite legal ban in the south and the social odium in the north, but all these take place behind the curtain. They must happen on the platform and that is the only way out. The chief benefit of amalgamation would lie in the fact that no segment of the American population, based on colour or physiognomy, could then be earmarked for discrimination.

The gamut of the entire Negro problem with all its ramifications, touching on every aspect of human life, is covered in this Year Book. This was started by the famous Booker T. Washington, founder of the Tuskegee Institute in Alabama. The publication has gathered weight, volume and value along the years and has come to be an indispensable source book for material on the Negro not only in the U. S. A. but in Africa, Europe and Latin America. It is difficult to review this book, for even a bare recitation of the topics covered will take too much space. The volume is divided into some forty chapters covering subjects like the Negro demography, Negro achievements in Art, Science, Literature, Music, Theatre, Radio, Agriculture, Business, Religion and Education.

There are articles on Race Relations, Race Riots, Discriminations and Lynchings and how these are being combated. There is an extensive discussion of the Negro's political, economic and social position and how the Negro is trying to improve it. Negro press and its rôle in exposing the racial wounds to the public gaze to receive proper treatment receives its due. In a word, not a single aspect of the Negro question that one can think of at random, has been omitted. The contributions are by experts and they are scholarly, objective, factual and documented. When a Negro scholar writes of the sad plight of his people with calm detachment he deserves, I think, special praise and congratulations; and every contributor in this volume falls in this category. There is an up-to-date and annotated bibliography of books on and by Negroes. The editors deserve our warm congratulations.

No Indian student of international affairs with special reference to the U.S. A. and her problems can be without this comprehensive reference book which is really an unbiassed mine of information about the Negro.

S. CHANDRASEKHAR

#### FOREIGN BOOKS ON INDIA

SONG OF INDIA. By Frank Clune. 1947 (Bombay: Thacker & Co, Rs. 12/8).

The Australian traveller Frank Clune denies he is a journalist, and with becoming modesty and a great amount of justification describes himself as 'a

lucky hobo.' Had it not been for his modesty, perhaps too artful, this book and its title should have been condemned as pretentious. But he has the grace to admit that he is not up to singing the 'Song of India', and that this is merely 'a book of fleeting impressions.'

Mr. Clune was in India for six months, covering a great deal of territory, seeing such things as the Taj Mahal and meeting such people as the Viceroy and Mr. Jinnah. But his book offers no novelty of interpretation, no definite outlook, no profound understanding, no startling revelation. In fact, the book must have become dated before it was out—Indian political scene is so fluid. For instance, he talks of Pakistan as a proposal and not as a reality.

Sometimes his descriptions of persons and places are racy and delicious. But he has a photographic mind. He sees the surface, and records the surface. And he tries so hard to be cute, using so much of the yellow journalism lingo and parlour room parlance, that he often sounds vulgar. He describes Jinnah as 'the chilli in the chutney.' He calls an autograph 'dhobi-mark.' This is 'Forum' type of soporific reportage.

He regrets that he could not see Gandhi nor Nehru because the two of them were in jail at the time. He thinks that anyone who visits India and does not see Gandhi should have 'his head examined.' There are better grounds to follow the procedure.

Where is the place of the book? It is not in the waste basket since it is fairly written. I think its real place is in station-bookstalls and in steam-ship libraries. It can be picked up at random, thumbed through idly on a trip, and you will have a couple of hours of giggles without the guilty feeling that you are wasting your time.

KRISHNALAL SHRIDHARANI

HOUSEBOY IN INDIA. By Twin Young. 1947 (New York: John Day, \$2.75).

### OTHER BOOKS

ECONOMIC PLANNING FOR INDIA. By Mrityunjoy Banerjee (Bombay: Padmaja Publications, 1947, Rs. 2).

The author of this small book has his work well cut out and his criteria for planning in India readily available. There are no surprises for the reader after he has gone through the first chapter, and not much new to learn. The first chapter is given to a brief discussion of the decline of *laissez faire* and the inevitability and benefits of planning and all planning is classified under two heads: capitalist and socialist. As the author is all out for the latter, it is only to be expected that he must render an account of the outstanding features and achievements of Soviet planning (Chap. II), examine the problem and difficulties of planning in India as also the official, Bombay, People's and Gandhian plans from the same angle (Chapters III, IV and V) and then work up to the conclusion (Chapter VI) that 'the ultimate aim of planning must be the establishment of a classless society in India, based on the union of the hammer and the

sickle.' He sees no reason why Russian remedy should not apply to the case of India and his blueprint of Indian plan would be State ownership of all means of production—land, industry, trade and banking—with a few small sectors such as cottage industries and retail trade left to co-operative organizations operating under the control of the State. 'Agriculture will be a State concern and the cultivators will be so many labourers.....the basis of distribution will be the product raised by each farmer, which will be determined by some standard measure of corn..... The character of the industrial revolution will be replacing all private industrialists by a single capitalist, viz. the State under which industrial magnates themselves will hold salaried jobs and earn their subsistence against personal effort and service.' The problem of finance will be perplexing but only in the short run. The huge initial expenditure will be met from the capital accumulations of industrialists and businessmen taken over by the State and by tapping the capital wealth of the country consisting of unspent bank balances, undistributed dividends, idle property and hoarded wealth. The author is against created money as a source of finance, as recommended in the Bombay plan—but he betrays confusion when he says that the Bombay plan 'scrupulously avoids taxation as a source of revenue.'

Marked by a commendable lucidity and economy of words, the book suffers from two notable drawbacks. Having been written before Independence Day, it takes no account of the new conditions and complications created by partition. Nor does it go beyond giving an outline of the economic El Dorado, it wishes to create, to the brass-tacks of planning: an estimate of the amount of capital needed for planning the methods of overcoming the difficulties in obtaining real, as distinct from money, capital, the administrative machinery needed for planning, compensation to be paid to the dispossessed etc. We would suggest that Mr. Banerjee should follow up his studies further along the line he has chosen for himself; for really we have had enough of outlines, sketches and memoranda.

D. K. MALHOTRA

POSITION AND PROSPECTS OF INDIA'S FOREIGN TRADE. Edited by A. N. Agarwala. 1947 (Allahabad: East End Publishers, Rs. 12)

INDO-U.S. TRADE. 1948 (Bombay: Indian Merchants Chamber, Re. 1)

Many hopes raised by the end of World War II have now receded nearly three years after, and the hope of restoring multilateral world trade is one of them. It seems we must, for the present, be content with an arrangement considerably less both in extent and in content for any progress to become possible in easing the flow of goods and services between countries. Regional multilateralism can perhaps be achieved in certain areas, but the real immediate prospect is a series of bilateral trade arrangements whether we like them or not. The symposium which Mr. Agarwala has produced contains contributions on the prospects of India's trade with several individual countries, a careful analysis of which should help in indicating the feasibility and advantage

of bilateral pacts when India's foreign trade policy undergoes periodical revision. Excepting the editor of the symposium himself, the contributors are all Trade Commissioners. The chapters are nearly all in the nature of departmental reports, itemized in detail but inadequately integrated. It is also apparent that the contributors were writing under an official restraint which has frankly vitiated the value of their respective discussions as guide to India's future foreign trade policy. Actually Mr. Agarwala's introductory Chapter is the best, giving a competent summary of present trends and future prospects of India's foreign trade with the countries covered by the contributing Trade Commissioners. He would have done well to circulate it to other contributors as a model for theirs.

The countries covered by the contributors are the United Kingdom, Australia, New Zealand, Canada, the United States and the Middle Eastern and South American regions. The Trade Commissioners have however placed in their articles a large volume of facts and figures which would be more readily used by the businessman rather than by the student. An important exception is the chapter on the future of Indo-U.S. trade by D. A. Kearns-Preston of the British Commonwealth Division of the U. S. Department of Commerce. Mr. Preston has presented an admirable account, both historical and analytical, of the composition of Indo-U.S. trade and the balance of payments position between the two countries.

Studying this trade specifically and in tabloid form is the Indian Merchants Chamber pamphlet. It is the first of a proposed series on our foreign trade which the Chamber has undertaken in its research section primarily for the education of the commercial community. Beginning with a brief account of U. S. industrial progress before the Great Depression the pamphlet summarizes the main facts of America's national income and productivity during and after the Depression. The changes in the direction of U. S. foreign trade in the inter-war period are brought out and followed by an analysis of composition shortly before and during the war. American productivity for war needs was geared to maximum pitch, and without much sacrifice of living standards, though these do not constitute 'a radical revolution in the American economy' as the authors say on page 10. Such an enormous increase in productive capacity which has overflowed into peacetime has made freer and increasing world trade the first concern of the United States. After descriptively enumerating the important commodities of import and export in Indo-U.S. trade, the authors rightly point out that the quantum and flow of trade between the two countries will depend not merely on changes in composition pattern but on such fundamental factors as the commercial policy of the two countries and of the world generally, the foreign exchange position, and the future industrial development of India.

H. VENKATASUBBIAH

#### LIFE AND LAUGHTER IN THE SOUTH SEAS: THE WORLD'S END.

By Capt. J. R. Grey (Melbourne C. I.: The National Press Printing Ltd., 1947, 9 s.).

The writer of this book is an enterprising and able navigator having served in the Royal Navy during the first World War. He has a particular flair for cruising and after the termination of World War I he spent two years cruising in the Mediterranean and the Pacific. He has a mechanical mind and takes personal interest in every sea-going operation. He has also built a good-sized yacht in which he made another five years cruise on the N. W. coast of Australia and through the Dutch East Indies.

In this book he gives an account of his life on cocoanut plantations, first one in Tahiti only as a manager and the second in Fiji as the owner.

The book gives a very realistic picture of life on those beautiful Islands and tells you of the various difficulties in running a copra plantation. How quickly a neglected property gets infested with obnoxious creepers and prolific undergrowth. What havoc a carelessly thrown firestick can play, what losses a planter has to face because of slow and inefficient transport. The number of hardships and the amount of manual labour that both the writer and his wife have had to put up with, on the one hand dispel the romance that novelists usually depict in the love stories and on the other hand only show how truly attractive these South Islands must be.

While narrating his uphill task, the writer bitterly criticizes the inefficiency of the colonial officials, sneers at the snobbery of the colonial 'society', resents the officious missionary and condemns the lazy native. Although a dried-in-wood conservative and believing in the superiority of the white race, specially the British one, extensive travel seems to have given the writer a distaste for life in civilized metropolis and a love for the primitive life. Yet in his dealings with the natives, whose physical superiority and capacity of endurance he acknowledges, he makes no bones of his belief in 'the rougher you trial them the more you can get out of them.'

With this type of mentality it is only natural that the book should entirely lack any human touch white or coloured.

On page 115 when talking about Indians in Fiji the writer says: 'Numbers of them eat beef and some who are in the butchery trade must have side-stepped their religious scruples about killing a sacred cow.' The writer I suppose is totally ignorant of the fact that the Indian community in Fiji also includes a Muslim community.

(MISS) SHAKUNTALA PARANJPYE

**THE SPIRIT OF INDUSTRIAL RELATIONS.** By H. S. Kirkaldy. 1947  
(London: Geoffrey Cumberlege, Rs. 4).

This book which contains the Perin Memorial Lectures delivered by the author at Jamshedpur in December, 1946, under the auspices of the Tata Iron and Steel Co. Ltd., consists of seven lectures covering the following subjects: (1) The Spirit of Industrial Relations (2) The Essentials of Trade Unionism (3) The sphere of Legal Regulation of Industrial Conditions (4) Incentives in Industry (5) Social Security (6) Joint Consultation in Industry and (7) The International Labour Organization.

Observing generally that the adjustment of industrial relations to the peculiar

problems of a country depends for its nature and method on the stage of industrial and political advancement which obtains in the country, Prof. Kirkaldy warns against a 'slavish imitation of the methods and procedures of other peoples and other times' for altering or reinforcing an economy in which conditions are entirely different. While this, undoubtedly, would appear to be a very timely warning for many industrially young countries, a more significant point is Prof. Kirkaldy's plea for a separation of the economic and political aims of labour organizations. The author admits that a trade union may well have as an immediate objective the betterment of its members within the present structure and as an ultimate objective the establishment of an entirely different structure of society. But, according to him, there is no reason why its long-term ideological ambitions should not be achieved 'democratically by political methods' while 'unreserved co-operation is accorded in the industrial sphere towards securing, under the existing social order, the maximum production on which the objective of improved standards of living primarily depends.' One notices in these words an almost direct reference to the activities of the labour leaders of our own country. The Indian trade unionism is yet more a policy than a movement, and attempts at earning political dividends on the part of the leaders, are too ill-concealed to need any showing up. Prof. Kirkaldy does not consider that the economic and political ends are incompatible, but he emphasizes nevertheless that political parties emerging out of labour organizations are likely to create disunity and disrupt the organizations. In the Indian situation one has only to add that if political issues are allowed to transcend the economic issues, disruption would be avoided only by coercing the workers who are yet unable to form their own views on the economic and political trends of the day.

The two discourses on Social Security and Joint Consultation in Industry are of particular interest to India. Sooner or later—perhaps sooner rather than later—the Government of India will have to tackle the numerous problems of industrial economics in a more thorough-going manner than it has been possible hitherto. While important responsibility of the government lies in this field, it is at the same time imperative that the workers and their employers should realize that they are partners in a 'joint adventure.' No wiser counsel can be offered to those of them who belong to the backward economies than that the only legitimate method of realizing political aims is 'by bargaining in good faith within the limits of the existing industrial, political and economic system and by co-operating for maximum production under it.'

PARIMAL ROY

## ARTICLES ON INDIA IN FOREIGN PERIODICALS

### *Cultural and Social*

INDIAN ART. By Douglas Barrett, *Spectator*, 5 December 1947.

A factual and critical appreciation, together with a brief historical background, of the extraordinary magnificence and diversity of Indian art as was



evidenced by the Burlington House Exhibition of Indian Art which opened under the auspices of the Royal Academy on 29 November 1947.

**EXHIBITION OF THE ARTS OF INDIA AND PAKISTAN: RECEPTION AT THE ROYAL ACADEMY.** By Lady Hartog, *The Asiatic Review*, January 1948.

A vivid account of the joint reception given by the East India Association, the Royal Asiatic Society and the Royal India Society in celebration of the opening of the Burlington House Exhibition of the art of India and Pakistan.

**THE ART OF AJANTA.** By V. S. Swaminathan, *The Contemporary Review*, February 1948.

An interesting account of the mural paintings and sculptures of Ajanta, their classical quality and their artistic significance, which did not figure in the great Indian Art Exhibition at Burlington House in London recently.

**INDIANS ABROAD.** By William Kirkpatrick, *The Asiatic Review*, January 1948.

The theme of the essay is that Indians in London had not been able to participate in golf and other games and sports because of the social restrictions imposed by caste classification.

**BUSINESS INDIA.** By Sir Stanley Reed, *The Spectator*, 2 January 1948.

The author gives in a very vivid way impressions of his visit, after ten years, to Bombay bustling with business activity and of the revolutionary changes in India's social life.

**INDIA WITHOUT GANDHI.** *The Economist*, 7 February 1948.

A glowing tribute to the unique life and character of Mahatma Gandhi and his services to the cause of India and humanity.

**THE TRAGEDY IN DELHI.** By Kingsley Martin, *The New Statesman and Nation*, 7 February 1948.

A moving description of Mahatma Gandhi's assassination and funeral procession and a heart-felt tribute to his great personality.

**SAINT IN POLITICS.** By Woodrow Wyatt, *The New Statesman and Nation*, 7 February 1948.

A sincere tribute to the triumphant and saintly character of Mahatma Gandhi even in the rough and tumble of Indian politics.

### *Political*

**INDIA-PAKISTAN-I.** By Horace Alexander, *Spectator*, 16 January 1948.

The author makes a sympathetic and informed survey of the conditions in East and West Punjab, Kashmir, Bengal and other parts of India during the

first few months of Indian freedom. He observes 'India will not let her troops carry the war into Pakistan territory, in spite of the fact that the insurgents are being constantly helped from there.'

INDIA-PAKISTAN-II. By Horace Alexander, *The Spectator*, 23 January 1948.

A factual account of communal peace in Bengal in contrast to the situation in the Punjab owing to Mahatma Gandhi's peace mission and of the general economic conditions in India. The author pays glowing tribute to Pandit Nehru for his idealism and determination in guiding India's first footsteps along the right path.

RECENT DEVELOPMENTS IN INDIAN OPINION. By Charles Barns, *The Asiatic Review*, January 1948.

The author, who was connected with the Indian broadcasting service, gives an interesting description of the changing pattern of Indian opinion in regard to the Indian political problem, of the politically conscious Indian middle classes in whom were concentrated power and public leadership. The author significantly observes: 'Looking back at these pre-war years, I wonder how different might have been later happenings if the stress in this earlier period had been more on unqualified transfer of responsibility and less on our obligations as a trustee.'

A FLAG HAULED DOWN. By A. F. Fremantle, *The Contemporary Review*, January 1948.

A historical account of the Lucknow Residency from 1856 up to 13 August 1947 when the Union Jack on the Residency was finally hauled down.

THE IDEALS AND PROSPECTS OF PAKISTAN. By Habib Ibrahim Rahimtoola, *The Asiatic Review*, January 1948.

A self-righteous survey of the communal strife in the Punjab and the problems of mass migration. After blaming the Sikhs for the Punjab troubles, the author outlines the rehabilitation problem and the economic prospects for Pakistan.

INDIA IN WORLD POLITICS. By Iqbal Singh, *World Review*, February 1948.

The author attempts to appraise India's emergence, as an independent agent, in world affairs as signifying a fundamental shift in the balance of international relations and a change in the power pattern of the world. He eulogizes Pandit Nehru's handling of India's foreign affairs.

INDIA TODAY. By George E. Jones, *Far Eastern Survey*, 26 November 1947.

Starting with the familiar Western obsession relating to India's inconsistent mixture of races, languages and religions, the author courses along her social and economic unrest and after dilating awhile on the prospects of the Indian union and Pakistan, concludes with the observation that nothing that has happened in the way of bloodshed alters the inexorable economic and strategic fact that their respective futures are inter-related.

**THE FOREIGN POLICY OF FREE INDIA.** By R. K. Karanjia, *The New Statesman and Nation*, 3 January 1948.

The theme of the article is that the best clue to the evolution of India's foreign policy is to be found in the life and opinions of Nehru, 'its creator, organizer and executor', as circumscribed by the political, economic and other limitations.

**INDIA: THE HIGH COMMISSIONER'S SURVEY.** By V. K. Krishna Menon, *The Asiatic Review*, January 1948.

A balanced analysis and dignified review of the Indian situation arising from the transfer of power. Mr. Menon draws pointed attention to the process of integration consequent on the merger of states and constitutional reforms therein, and to the prevailing peace and tranquillity in very large parts of India. He closes with an illuminating account of the Kashmir episode and an extremely hopeful note on the future of Indo-British relations.

**BRITISH TROOPS LEAVE INDIA.** By Brigadier J. G. Smyth, *The Asiatic Review*, January 1948.

A historical account of the British Army in India and a well-deserved tribute to Field-Marshal Sir Claude Auchinleck.

**THE BOUNDARY AWARD IN THE PUNJAB.** By Dr. Oskar Spate, *The Asiatic Review*, January 1948.

Professing 'to give a straightforward account of the process of partition, which may serve to put the present troubles in perspective', Dr. Spate describes the Boundary Commission procedure, its terms of reference, the area in dispute, the economic and strategic issues involved, the distribution of communities, the Muslim claim and the Commission's award. The author has faithfully fulfilled his statement: 'I am in general support of the Muslim case' and so 'bound to consider the interpretations more favourable to this side.'

**THE TWO NEW DOMINIONS AND TREATY RELATIONS.** By Sir Henry Twynam, *The Asiatic Review*, January 1948.

The author attempts to assess the position in the new Dominions and proceeds to indicate the fields for cooperation between them by reference to defence, fiscal and economic relations and external affairs.

**SUSPICION IN PAKISTAN.** By Brigadier Desmond Young, *Spectator*, 5 December 1947.

A tendentious description of the causes of communal strife in the Punjab and Delhi, designed, with considerable subtlety, to fix the responsibility for the same on Sikhs and other non-Muslims and to provide a justification for the suspicious Pakistan attitude to India.

**HINDSIGHT IN INDIA.** By Brigadier Desmond Young, *Spectator*, 12 December 1947.

Proposing to examine whether anything Britain could have done or left undone would have got the two new Dominions away to a better start, the author criticizes the removal of Lord Wavell and Lord Mountbatten's consent to the division of the Indian armed forces and the acceptance of Governor-Generalship of the Indian Union when Pakistan refused to agree to a joint Governor-General and appointed Mr. Jinnah.

**INDIA: THE DAWN OF INDEPENDENCE.** *The Round Table*, December 1947.

A fairly factual review of the Independence Day celebrations in Delhi, Karachi and Calcutta; the communal conflagration in the Punjab and the refugee influx into Delhi and other cities and its damaging effect on Indian economy; the Junagadh, Hyderabad and Kashmir episodes; the land legislation in Madras, U. P. and Bihar and India's external relations during the quarter under review.

**THE STATES OF INDIA AND PAKISTAN: ADVANCE TOWARDS RESPONSIBLE GOVERNMENT.** By A special Correspondent, *The Asiatic Review*, January 1948.

An account—not particularly informed—of the political conditions and constitutional changes and progress in Hyderabad, Junagadh, Kashmir, Mysore, Travancore, Baroda and Bhopal.

**INDIA ASKS COUNCIL ACTION IN KASHMIR SITUATION: PAKISTAN CHARGED WITH AGGRESSION.** *United Nations Bulletin*, 15 January 1948.

A useful summary of India's complaint to the Security Council on the Kashmir question and of the proceedings of the first meeting of the Council to discuss the complaint.

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## RECENT TRENDS IN AMERICAN FOREIGN POLICY

By JOHN C. CAMPBELL

DURING the first week of May, 1948, Secretary of State George Marshall made two significant expositions of American policy. One was a communication to the Soviet Government, the other a statement on the United Nations Charter made before the Committee on Foreign Affairs of the House of Representatives. These two declarations, and the circumstances under which they were made, explain a great deal about the evolution of American foreign policy since the war. They illustrate several developments which may now be accepted as commonplace but are nonetheless significant changes from the international scene as it appeared to Americans when the war ended three years ago. These developments concern relations with the Soviet Union, attitudes toward the United Nations, and the rôle of Congress in American foreign policy.

### I

The American note of 4 May 1948, to the Soviet Government, which the latter broadcast to the world as a proposal to discuss a general settlement of Soviet-American differences, was in fact a firm statement of the intention of the United States to stick to the policy of consolidation of the non-Soviet world for economic recovery and for self-defence. This policy, said the note, was the 'inevitable reaction of the American people' to the pursuit by the Soviet Government of a course which appeared to have as its purpose the domination of neighbouring States and the extension of Soviet power. The present state of Soviet-American relations was described as a source of grievous disappointment to America, 'a painful and undesired alternative toward which we have been driven, step by step, by the pressure of Soviet and world communist policy.'

The world situation reflected by this frank exposition of the policy of containing Soviet expansion, this grim acceptance of the division of the world into two blocs, is as far removed from the prevailing American ideas of 1945 as Bismarck's Europe differed from the ideals of Mazzini, Michelet, and the men of 1948. According to the American thesis, the new *Realpolitik* has been forced on the United States by the Soviet Union's domination of eastern Europe, its attempts to gain control of all Europe, its pressure on the Middle East, and its refusal to permit the United Nations to function effectively. According to the Soviet thesis, America under Truman has abandoned the ideals and policies of Roosevelt and, instead of cooperating with the Soviet Union, is actively hostile and is organizing reactionary forces throughout the world for war. Where the truth lies in this controversy is a matter of considerable importance not only to Americans and Russians, not only to capitalists and com-



munists, but, to borrow a phrase used recently by Trygve Lie, to the great majority of the world's peoples who are neither one nor the other.

The 'grand plan' of President Roosevelt was to bring the Soviet Union into full cooperation with the Western powers in establishing an international order based on law, respect for the independence and integrity of nations, and a common effort to attain world peace through a world security organization. To win Soviet cooperation, Roosevelt made important concessions. Now-a-days it is fashionable in the United States to condemn him for 'appeasement,' for needlessly sacrificing Poland, Czechoslovakia, Hungary, the Balkans, and Manchuria to the Russians. Such criticism seems hardly justified. Wholly aside from the military considerations, which were weighty, there were at the time other good reasons for such concessions. These were territories which the Russians had occupied, or were in a position to occupy, in the final period of the war. The choice was between refusing consent, thus breaking the Allied coalition before the end of the war and destroying the world's hopes for a durable peace, and making the best bargain possible while acquiescing in what amounted to preponderance of Soviet influence in these areas adjacent to the U.S.S.R. Roosevelt chose the second alternative in the hope that generous recognition of Soviet security requirements would win genuine Soviet cooperation in the world organization. As his part of the bargain, he received Soviet pledges that the eastern European countries, though tacitly recognized as being in the Soviet 'security zone,' would be allowed to have 'broadly representative' governments and to hold free elections. It was at Yalta also that the Big Three reached a compromise on the veto power in the United Nations, and the Soviet Union later agreed, at San Francisco, that the veto would be used sparingly.

Perhaps these were bad bargains. The Soviet Union did not live up to its pledges. It installed Communist or Communist-dominated governments in eastern Europe and did not permit free elections; its use of the veto made it impossible for the Security Council to function effectively and brought into disrepute the entire effort towards world organization through the United Nations. Many students of Russian history and of Soviet practice could and did foresee that this would happen; that the idea of genuine cooperation with 'capitalist' nations was alien to the Soviet mind, and was never seriously considered by the Soviet leaders; that the only governments in neighbouring States it could consider as 'friendly' would be puppet governments run by Communists; that Russia would use the United Nations for whatever advantage participation might offer but would never permit it to interfere with Soviet policies in areas considered of vital concern. Nevertheless, Roosevelt felt that the attempt to work with Russia had to be made. It was the one chance to establish the peace settlement and the new international organization on a firm foundation of cooperation between the great powers. It was a gamble of statesmanship. That it failed does not mean that it should never have been tried. For, the alternative to oppose from the start the extension of Soviet territory and influence beyond frontiers of 1939 would have involved either an armed clash with the Soviet Union, which at the time was hardly conceivable, or else ac-

quiescence and protest, which would have been no different from the policy to which we come eventually, following the breakdown of the agreements of Yalta and Potsdam.

The Yalta and Potsdam agreements were built upon misunderstanding. The Soviet Union and the Western powers were already pursuing divergent aims and policies. The general language of those agreements masked those differences. Moreover, the appearance of agreement seems to have misled both sides. Roosevelt felt that Stalin had sincerely agreed to the Yalta formula for freedom of elections in Poland, Yugoslavia, and the rest of liberated Europe, and for joint rather than unilateral action whenever differences or difficulties arose. Stalin apparently felt that the Western powers had agreed not to intervene in eastern Europe, and that under the cloak of 'Big Three Unity' the Soviet Union could count on being able to do what it liked.

Both sides met disillusionment during the period of Mr. Byrnes's term of office as Secretary of State. In the long negotiations on the Italian and Balkan peace treaties the divergence of views was no longer hidden by a facade of unity, although treaties were finally agreed upon and signed. During this period the Soviet Government pursued a steady course of unilateral action in eastern Europe in disregard of the Yalta agreements. At the same time, by its failure to withdraw troops from Iran by the agreed date, its demand for Trieste on behalf of Tito's Yugoslavia and for a share of the Italian colonies, and its refusal to treat Germany as an economic unit as agreed at Potsdam, the Soviet Union drove Mr. Byrnes into a policy which he himself has described as one of 'firmness and patience.' Its essence was his firm refusal to make any further major concessions which would extend the zone of Soviet control beyond the limits already reached, while patiently carrying on the long, hard process of bargaining for peace settlements.

Possibly the United States was unwise in constantly denouncing and protesting against Soviet conduct in eastern Europe. Although it was clear within a month after Yalta that these protests were bound to be ineffective, Washington continued to make them 'for the record'. This was because President Roosevelt and the State Department had sincerely hoped that the Yalta agreements would work, and the latter was not prepared to forget about them, nor tacitly to consent to the suppression of political freedoms and to the exclusion of all western influence from those countries. This attitude, combined with American resistance to the demand for Trieste and to Soviet reparation claims on Italy and Germany, seemed to the Soviet leaders proof that the United States had abandoned the policy of cooperation instituted by Roosevelt. It was true that the American attitude towards Russia had changed. Roosevelt's 'cooperative' approach had involved concessions in areas where they could safely be made, areas which historically had lain in the shadow of Russian power. Truman and Byrnes could not make similar concessions in Germany, Austria, Italy and Greece without inviting Soviet control over all Europe and the Mediterranean, and without jeopardizing the prospects of a just peace based on the principles for which Roosevelt had stood. Since it seemed to them that Soviet ambitions went far beyond those of the Tsars, that the 'security zone' would

be extended indefinitely, the decision was taken in 1946 to take a firm stand against them. In this policy Mr. Byrnes had the support of American public opinion. This was made abundantly clear when he was challenged by Mr. Wallace in September 1946. The President was forced to drop Wallace from the cabinet not because of the pressure of 'Wall Street' or of anti-Soviet elements but because the press and public rallied to the support of Mr. Byrnes.

The policy of 'firmness and patience' was bequeathed to General Marshall when he became Secretary of State in January 1947. Under his direction, without undergoing any fundamental change, it has become the policy of 'containment' of the Soviet Union and consolidation of the non-Soviet world. Mr. Byrnes came to it by the trial and error method over the difficult period when the wartime coalition was breaking up and no one wished to admit it. When General Marshall came on the scene, the split between Russia and the West was an acknowledged fact. The task before American diplomacy was to adjust itself to a situation which was certainly not the peace based on friendly cooperation for which Roosevelt had hoped, and planned, nor was it war. Two worlds were in a state of more or less unfriendly competition for power and influence. The American people, accustomed to thinking in absolute terms, tended to regard this obvious absence of peace as the prologue of war. This was not the view of the Government. Its answer to the 'Russian problem' was to continue to oppose the extension of the Soviet 'empire' beyond the lines it had already reached and to rebuild the strength of certain key areas, notably western Europe. If such areas can gain economic strength with American assistance, and political and military strength through mutual assistance and American guarantees, then the world may have a balance of power less precarious than the present balance in which the two strongest States are drawn into competition and conflict in the 'power vacuums' represented by Germany and western Europe, the Near and Middle East, and China. That is the main reasoning behind the 'Truman Doctrine' and the 'Marshall Plan'. They are in part defensive, emergency measures to block Soviet expansion in the interests of the security of the United States. But they are also intended as constructive programmes to promote a more stable balance on which a peaceful world order can be based.

The self-righteous language in which the United States has consistently set forth its position must be particularly annoying, not only to the Soviet Government, which does the same thing, but also to many other peoples of the world who have a right to doubt that America is always on the side of the angels. Nevertheless, it seems only fair to concede that the American decision to adopt the policy of building a Western bloc (further to the west and to the south than the old anti-Bolshevist *cordon sanitaire*) was taken reluctantly. America did not seek a division of the world into rival alliances and blocs. Furthermore, the manner in which the so-called Western bloc is being built is scarcely comparable to the methods employed to make the eastern States 'friendly' to the Soviet Union.

The Marshall Plan has as its ultimate objective the restoration of the historic European community of nations on a new basis, on the assumption that the

energy, the skill, the resources and the culture of these advanced peoples can make a great contribution to peace and orderly progress throughout the world. Stated in these terms, the Soviet Union should have no reason to object to it. On the other hand, the present division of Europe is artificial. A revived West would offer a strong attraction to the nations of the East. Soviet hostility to the Marshall Plan is thus understandable.

It is in Europe, where the issues seem most clear-cut, that America's policy of containment plus reconstruction appears at its best. In Greece, what amounts to American intervention has succeeded neither in restoring political stability nor in creating economic solvency. Despite the fine words of the 'Truman Doctrine', it cannot be said that free institutions are flourishing. In China, the attempt is being made to combat communism and potential Soviet influence by supplying money and arms to the Nanking Government. The volume of American aid is not sufficient to turn the tide of civil war. More important, in the hands of an inefficient government, it is difficult to see how a much greater volume could halt the forces of social change on which the Chinese Communists have capitalized. Since the failure of General Marshall's mediation efforts, America's policy in China has been, to say the least, uncertain. Over-concentration on the 'communist menace' seems to have been accompanied by neglect of other pertinent factors. The same criticisms might be made of America's policy, or lack of policy, towards the colonial conflicts of southeast Asia, where the relative unimportance of the communist issue perhaps explains the failure to devote more attention to this part of the world despite the fact that what happens there will undoubtedly be of great consequence to us. As Stanley Hornbeck, formerly a high official of the State Department on Far Eastern Affairs and American Ambassador to the Netherlands, pointed out in a recent article, the United States has been caught in a dilemma. It has had to weigh its traditional sympathy for the colonial peoples against its interest in maintaining the economic strength, and the friendship, of the colonial powers of western Europe.<sup>1</sup> Does this mean that in the interest of success of the Marshall Plan we must support the colonial policies of the Dutch in Indonesia and of the French in Indo-China? The American rôle in the work of the United Nations Committee of good Offices in Indonesia represents an attempt to seek compromises and the peaceful settlement of differences. Whether this approach is sufficiently bold and far-sighted is a matter for the future to determine.

## II

In framing a policy to meet the dynamism of the Soviet Union, the United States has relied chiefly on its own power. On occasions it has acted through the United Nations, but on important issues it has not hesitated to 'by pass' the world organization in order to make sure of acting quickly and effectively. This practice has occasioned a certain amount of criticism, and also regret, for both Government and people have felt that American policy must be based, as far as is possible, and practicable on the United Nations.

<sup>1</sup> Stanley Hornbeck, "The United States and the Netherlands East Indies," *Annals of the American Academy of Political and Social Science*, January 1948, pp. 124-35.

When the United Nations organization was founded in 1945, Americans had high hopes that it could develop into a working system of collective security. For the first few years, the great powers, permanent members of the Security Council, would have to lead the way. They would have to provide the armed forces for any necessary policing, and they would have to work together. In the course of time, as Secretary Byrnes pointed out at the first session of the General Assembly at London in 1946, the United Nations should become an organic, developing series of institutions adaptable to the changing needs of a changing world. To develop in that way, it would have to be nursed along during its infancy and not be given impossible tasks to perform. Obviously, in this period, it could not function effectively as an instrument of collective security to enforce decisions on the great powers themselves.

Unfortunately, the great powers did not find it possible to work together. Unfortunately also, their disputes were brought before the Security Council. In the Iranian case the Council scored a limited success when, after its discussions, the Soviet Union chose to withdraw its troops from northern Iran. In general, however, the results of the Security Council's consideration of controversial matters took the form of indecisive resolutions or of failure to take any decision at all because of Soviet vetoes. As if to emphasize the Council's paralysis and to put the blame on the Soviet Union, the United States made a special point of pushing the explosive Balkan issue to a vote on more than one occasion. Mr. Gromyko was not entirely wrong when he accused the United States of engaging in a 'hunt for more vetoes.'

The Security Council's inaction on the Balkan question—Gromyko vetoed five separate resolutions—greatly strengthened the trend of opinion in the United States which was contemptuous of the United Nations as a mere 'debating society' and called for abolition of the veto or for abandoning the idea of a league of sovereign States in favour of limited world government. The State Department was quite cautious on this issue. While deploring the 'abuse' of the veto power and attempting to make greater use of the General Assembly in dealing with matters affecting peace and security, it wished to avoid a direct challenge to the Soviet Union which would break up the United Nations. The Department has been under considerable outside pressure, however, to seek a 'showdown' on the question of reorganizing the United Nations.

This movement is made up of two general currents of opinion. One is that of the world federalists, who argue that to preserve peace the world must federate, setting up a supreme authority above the individual national government, as the American States did when they accepted the constitution of the United States more than a century and a half ago. As they put it, the choice is between peace and anarchy, the anarchy of competing sovereign States. That this movement has impressive popular support—rather surprising in view of the American tradition of isolation—is evident from the results of recent public opinion polls and from the action of some eighteen state legislatures in passing resolutions in favour of world government. Its supporters approach the subject more as a theoretical problem in political organization than as a means of

facing the present problem of how to deal with Russia. The latter is the point of departure for the second current of opinion, which holds that the United States must propose in the United Nations a new organizational structure and new voting procedures to enable it to take positive action in case of threats to the peace or acts of aggression. The Russians would be invited to accept these changes. If they accept, well and good. If not, the new organization would be formed without the Soviet Union and would be, by implication, an alliance against the Soviet Union. This view took on special importance when it was adopted by a group of Senators and Representatives who introduced in the Congress resolutions proposing American action along such lines.

Secretary Marshall's Statement of 5 May 1948, with respect to these proposals, mentioned in the opening paragraph of this article, is probably the clearest and most thorough public exposition which had been made of the official American attitude towards the United Nations. It indicates that the United States wishes above all to keep the present world organization, imperfect as it may be, intact and with membership as nearly universal as possible. Whatever the differences between the United States and the Soviet Union, the United Nations Organization remains important as 'an open door to communication between the East and the West.' Secretary Marshall points out that the real obstacles to peace cannot be removed by changes in the structure of the United Nations. To establish a firm basis for a world order based on law and dedicated to peace and progress, says the Marshall Statement, changes of substance, not of form, are required. The world must be restored to economic health; peoples must be given a sense of security; a stable balance of power must be created; and the Soviet leaders must be brought to recognize the 'misconceptions' which have guided their recent policies toward the rest of the world. This can be done by action both inside and outside the United Nations, but not by challenging the basis of its existence.

Attempts to amend the Charter over Soviet objections or to establish some form of world government probably would destroy the present United Nations Organization. It would leave in its place rival military blocs, not a world government under law. This Organization, says Secretary Marshall, 'is the symbol of the aspirations of mankind.' It requires time to grow and to win the loyalty of men and of nations. 'Let us not in our impatience and our fears sacrifice the hardwon gains that we now possess....'

### III

On both these vital issues, relations with Russia and the United Nations, public opinion has played, and will continue to play, an important rôle in the determination of American policy. The State Department now pays far more attention to it than before the war. The Department has embarked on a programme of making information available to the public through the press, through publications, and through contacts with private organizations. Foreign policy is no longer the province of the expert few. Admittedly, democratic procedures cannot always be applied in the field of foreign relations.

Delicate negotiations are not a proper subject for a daily referendum to the people. It has been abundantly proved, however, that the government's major policies in the foreign field cannot succeed unless given the backing of the American people.

The importance of public opinion has been matched by the expanded rôle of the Congress. Henry Adams's remark, written a good many years ago, that 'the Secretary of State exists only to recognize the existence of a world which Congress would rather ignore' describes with fair accuracy the situation in the period between the two world wars, the period bounded by the Senate's rejection of the League of Nations Covenant in 1919 and 1920 and the breakdown of the Neutrality Act in 1939 and 1940. The influence of Congress, on occasions, was decisive, but for the most part it was sporadic and incidental to the main process of policy-making. This is no longer true today.

During the war President Roosevelt exercised wide powers as Commander-in-Chief. Besides making the crucial military decisions himself, he kept in his own hands the main threads of foreign relations. Looking ahead to the end of the war, however, both the President and Secretary Hull saw the need of getting Congressional support for their programme of world organization for peace: for the United Nations Organization, UNRRA, and the Bretton Woods institutions. They hoped to avoid a repetition of the fiasco of 1920 by preparing the ground for ratification of the future peace treaties. In this they were eminently successful. Congress ratified the United Nations Charter by an overwhelming vote, provided the necessary funds for UNRRA, and voted for American participation in the International Bank and Fund. But its rôle in post-war foreign policies was not destined to be limited to approval of these measures. Under the Truman Administration its influence in this field has expanded beyond expectations, beyond that of any previous period in American history.

The principal reason for this development lies in world economic conditions. The war left much of the world devastated and prostrate. It left the United States, despite the huge outlays for war purposes, in an unparalleled position of economic strength *vis-à-vis* other nations. World recovery was vital to continued prosperity in the United States, and it depended, in large measure, on American assistance to foreign nations. As a leading world power actively participating in the international affairs on every continent, the United States sought post-war settlements which would promise stability and orderly progress. Diplomatic negotiation could not do the job alone. There could be no stability and no progress until the Allied nations weakened by the war were given economic support to rebuild their shattered or immobilized productive plant. Even the occupation of former enemy nations, Italy, Germany and Japan, called for a steady stream of American supplies to keep the people of those countries from starvation. Virtually the whole world turned to the United States for relief supplies, for capital equipment, or for both. What was granted, aside from private contributions, had to be authorized and appropriated from the public funds by the Congress of the United States.

The Congress, holding the purse strings, had a sort of veto over the most

important measures of foreign policy worked out by the State Department. The House of Representatives wielded power which it had never had before. State Department programmes had to run the gauntlet of the House Committee on Appropriations as well as to win the approval of the Senate and House committees more directly concerned with foreign affairs. Through its decisions not only on relief and on loans but also on tariffs, subsidies, price controls, immigration, and foreign propaganda activities, the United States Congress could determine the course of events in many parts of the world. The State Department often had to engage in a double set of negotiations to achieve a particular object, one with a foreign State or States and the other with Congress. And in making pronouncements of policy the President and the Secretary of State sometimes ran the risk of subsequent repudiation by the legislature. The Greek-Turkish aid programme and the Marshall Plan had repercussions both at home and abroad, and induced foreign governments to take certain critical decisions, before they became, through Congressional approval, the official policy of the United States. Had the Congress not approved them, the effect on those governments and on America's position might well have been disastrous.

On the whole, the Truman Administration has been able to 'manage' Congress with a fair degree of success on such crucial matters. For this success it can thank the bipartisan approach inaugurated by President Roosevelt to ensure ratification of the United Nations Charter and the peace treaties. Members of Congress from both major parties were in the United States delegation at San Francisco. This practice was carried on by Mr. Byrnes at meetings of United Nations bodies and of the Council of Foreign Ministers, where he was flanked by Senators Vandenberg (a Republican) and Connally (a Democrat). This consideration for the views of the minority (Republican) party paid dividends after the Republicans won control of both Houses of Congress in the election of 1946, for Senator Vandenberg has since been the principal instrument in winning Congressional approval of the Truman Administration's policies. It was he who steered the Greek-Turkish Aid Bill and the European Recovery Programme through the Senate and brought about ratification, almost without opposition, of the Italian and Balkan peace treaties and the Rio treaty for the security of the American continent.

The fact of Congressional approval of these policies should give them added weight and prestige both at home and abroad. The Marshall Plan, in particular, was thoroughly debated throughout the country and on the floor of Congress before being passed by a large majority. So far as a foreign policy measure can be called democratic, the European Recovery deserves that appellation. It has the support of both major parties, of the big labour federations, and of the business and professional groups. Judging from present indications, the groups which oppose it, including Henry Wallace's third party, represent a small minority.

As a consequence, foreign policy is not a major issue in the coming Presidential election. There is plenty of campaign talk about it, and there will be a lot more. However, although sudden shifts of opinion are always possible



in a people so volatile as the American, it would be a mistake to expect drastic changes, whoever wins the elections. The main lines of present American policy, having been arrived at after a period of trial and error and confirmed through the operation of the democratic process, may well have acquired a greater consistency and permanence than the world, on the evidence of past performance, has been led to expect.

## UNITED NATIONS TRUSTEESHIP AND LEAGUE OF NATIONS MANDATE SYSTEMS

*By* LEO GROSS

'THE International Trusteeship System is no mere prolongation of the Mandates System under the League of Nations. It is a new system of international supervision. Its scope is wider, its power broader, and its potentialities far greater than those of the Mandates System.' Thus spoke the Secretary-General of the United Nations, Mr. Trygve Lie, at the historic opening of the first meeting of the First Session of the Trusteeship Council on 26 March 1947.<sup>1</sup> Somewhat more conservatively, the British Government, in its official commentary on the United Nations Charter, declared: 'In many ways the trusteeship system established in this Chapter (XII) has drawn on the experience of the mandate system of the League of Nations. Some new features are, however, worth comment.'<sup>2</sup> It is the purpose of this paper to discuss some of the similarities and differences between the old Mandates System and the new Trusteeship System.

The new features referred to in the British commentary concern particularly the defence of, and the modified approach to, the question of the open door or of equal opportunity in the trust territories.

Let us take the defence aspect first. It will be recalled that—except in the case of 'A' Mandates for which there is at present no comparable category of Trust territories—Article 22 of the Covenant laid down certain safeguards in the interest of the indigenous populations in territories known as 'B' and 'C' Mandates. Among these safeguards were 'the prevention of the establishment of fortifications or military and naval bases and of military training of the natives for other than police purposes and the defence of territory.

To be sure there were exceptions to this general and important principle. Thus Article 3, paragraph 1 of the French Mandate for the Cameroons and of the French Mandate of Togoland contained a substantially identical provision. Article 3, paragraph 2, however, formulated the reservation: 'It is understood, however, that the troops thus raised may, in the event of a general war, be utilized to repel an attack or for the defence of the territory outside that subject to the mandate.' Apart from this exception neither the territories under 'B' and 'C' Mandates nor their indigenous populations

<sup>1</sup> Trusteeship Council. Official Records. First year: First Session, 1947, p. 4.

<sup>2</sup> A Commentary of the Charter of the United Nations, Signed at San Francisco on the 26th of June, 1945. Misc. No.9 (1945), Cmd. 6666, p. 56.

were allowed to be drawn into wars fought by the States entrusted with the duties of a mandatory power. The correct principle regarding the status of mandated territories in case of a war involving the mandatory power was stated as follows: 'It would seem to follow from the principle of mandatory government that *mandated territories ought to remain outside the region of War*. They cannot be regarded as sharing automatically the mandatory's status of belligerency, and their inhabitants do not, in their capacity as nationals of the mandated territory, become alien enemies in relation to the state with which the mandatory is engaged in war.<sup>1</sup> One of the principal objectives of the Permanent Mandates Commission was to ensure due observance by the mandatory power of the military clauses of the mandates.

The Trusteeship System, by contrast, proceeds on an entirely different theory and the Charter displays what might be called a striking solicitude for the military interests of the administering authority, possibly to the disadvantage of the indigenous populations. The first among the basic objectives of the Trusteeship system is 'to further international peace and security' a fact of great significance but one which, it has been pointed out, 'probably betrays a certain lack of proportion.'<sup>2</sup> It is perhaps a fact of equal significance that the only specific duty laid upon the administering authority under Chapter XII is the duty, in conformity with Article 84, 'to ensure that the trust territory shall play its part in the maintenance of international peace and security.'

Contrasting the spirit of the Mandates System with that of the Trusteeship System, Professor Rappard, a veteran of the Permanent Mandates Commission, concluded that 'whereas Covenant and the Mandates bear the imprint of the pacific, fair-minded, and impartial statesman and scholar that was Woodrow Wilson, the Charter and the Trusteeship clearly reflect the realistic militancy of his former Assistant Secretary of the Navy, who was to become his triumphant successor.'<sup>3</sup> Whatever may be the responsibility of President Franklin D. Roosevelt for the 'militancy' of other parts of the Charter, it would seem that he must be absolved from any primary responsibility for the militancy of the Trusteeship System. For the military features of the Trusteeship System here under consideration are due to the initiative of the British and not to that of the United States Government. The United States proposals at the San Francisco Conference on International Organization envisaged merely the possibility of designating certain areas as strategic in order to safeguard the security interests of the administering State.<sup>4</sup> Thus Articles 82 and 83 resulted from American initiative, chiefly concerned as the United States delegation was to obtain clear passage for the military use

<sup>1</sup> L. Oppenheim, *International Law*, Vol. II, 6th Ed. (By H. Lauterpacht, 1947) p.191.

<sup>2</sup> *Ib.*, Vol. I, p.210, note 1.

<sup>3</sup> William F. Rappard, 'The Mandates and the International Trusteeship Systems', *Political Science Quarterly*, Vol. 61, 1946, p.416.

<sup>4</sup> Cf. 'Charter of the United Nations. Report to the President.' Department of State publication 2349, p. 131. The United States and Non-Self-Governing Territories, *United States-United Nations Information Series* 18, Department of State Publication 2812, p.12.

of the former Japanese 'C' Mandates in the Pacific and which have, in fact, become strategic trust territories under American administration.

It was the British Government, however, which took the initiative in proposing the removal of the restrictions imposed upon the Mandatory Power by the 'B' and 'C' Mandates.<sup>1</sup> The British Government was clearly moved by the desire 'that a mandatory power should be permitted to mobilize the war potential of its mandated territories as well as of its colonies as a part of its contribution to the maintenance of international peace and security provided that the military policy of all states is brought into conformity with their obligations under the United Nations Organization.' The United Kingdom further pointed out that its proposal stated 'in more positive form than does the United States proposal that territories under the "trusteeship system" will be called upon to contribute their resources toward international peace and security. At the same time the United Kingdom proposal will not embarrass "mandatory" powers in the exercise of security functions in the territories concerned.'<sup>2</sup> The United States delegation at San Francisco agreed that 'in its simplest terms it (the British proposal) would give a right to the administering authority for the full use of the military resources of the territory. In doing so, it would remove some of the limitations which had been imposed on former mandates.'<sup>3</sup> The removal of the limitations, argued the British Government, was 'desirable in view of past experience particularly during the war with mandated territories.'

It is, therefore, clear from the history of Articles 76 and 84 that credit or blame for the 'militancy' of the Trusteeship System is due to the British, not to the American Government, moved as it was by the desire to allow a greater freedom of action to the administering authorities than was given to the Mandatory Powers. This freedom is not unlimited. It is to be noted that the administering authority, pursuant to Article 84, may make use of 'volunteer forces' which would seem to exclude conscription of the indigenous populations. Experience shows, however, that the distinction between 'voluntary' and 'compulsory' military and other services may sometimes be somewhat blurred. It will be a matter for the Trusteeship Council to devise means for verifying how voluntary the 'volunteer forces' are. In this connexion one or two observations are in order.

The Questionnaire adopted provisionally by the Trusteeship Council during its First Session on 25 April 1947, includes the question: 'What forces are maintained for internal order and what is their organization, method of recruiting, conditions of service, nationality, equipment and facilities?' This would seem to be unduly restrictive as no information is intended to be elicited except on forces for 'internal' order. How about the other forces which the administering authority is authorized to maintain under Article 84 such as the forces

<sup>1</sup> Cf. 'Trusteeship. The Question of Fortifications and Volunteer Forces in Trust Territories (Article 84).' *Memorandum Prepared by the Secretariat*. Doc. A-C.4-40.3 November 1946, p.1 ff.

<sup>2</sup> *Ib.*, p. 2.

<sup>3</sup> *Ib.*

necessary in order to carry out its obligations to the Security Council or to ensure the defence of the territory?

The second observation relates more particularly to the right of the administering authority to 'make use of volunteer forces, facilities and assistance from the trust territory in carrying out the obligations towards the Security Council.' Is this provision to be understood in the sense that such forces, etc. can be used *only* in carrying out the obligations towards the Security Council? Does it confer a supervisory function on the Security Council? This matter, it will be recalled, was raised particularly by the U.S.S.R. and India and discussed at some length at the second part of the first Session of the General Assembly.

Looking at the history of this provision we find that the question of charging the Security Council specifically with the duty to supervise the use of the volunteer forces from trust territories was raised by the delegate for Egypt in Committee 11/4 of the San Francisco conference. In his reply the delegate for the United States explained that in the projected Article, which is now Article 84, there were three parts and that the part referring to the carrying out of the obligations towards the Security Council 'is definitely under the Security Council now'. He went on to say: 'The second part is for local defence and that does not come under the Security Council and should not come under it. The third part is the law and order within the territory, the policing function, and that should not be the job of the Security Council but in all of these things it is all supervised by either the one or the other of the bodies of our Organization. It is either under the Security Council if it affects international peace and security or under the Assembly if it is a matter that affects the territory and properly comes under the Assembly or under the Trusteeship Council acting for the Assembly. One or the other of those three bodies is always supervising and there is no gap in between.'<sup>1</sup>

As the right to declare part or all of a trust territory as strategic and thus bring it within the jurisdiction of the Security Council is dealt with under other clauses of the Charter it is perhaps not unfair to infer from the American delegate's statement that the Security Council should under certain circumstances supervise the military use of trust territories while under other circumstances this duty devolves upon the Trusteeship Council acting under the General Assembly. In the trusteeship agreements so far approved by the General Assembly one looks in vain for any reference to the supervisory functions to be exercised by the Security Council. On the contrary, most of the agreements confer upon the administering authority a very wide discretion in using the trust territories for military purposes. To give only one example. All the three agreements designating the United Kingdom Government as administering authority empower the administering authority 'to establish naval, military and air bases, to erect fortifications, to station and employ his own forces in the Territory and to take all such other measures as are, *in his opinion*

<sup>1</sup> Cf. Verbatim Records, Committee 1114, Meeting 10, 24 May 1945, p. 47 ff, as quoted in: 'Trusteeship. The Question of Fortifications and Volunteer Forces in Trust Territories (Article 84).' *Memorandum Prepared by the Secretariat*. Doc. A/lc. 4/40, p. 5.

necessary for the defence of the Territory and for ensuring that it plays its part in the maintenance of international peace and security.<sup>1</sup>

The delegate for the Government of India, Raja Sir Maharaj Singh, who abstained from voting on the Trust Agreements, pointed out in the General Assembly that 'the creation of military fortifications in trust territories without even the approval of the Security Council is open to grave objections. Such a provision,' he argued, 'did not exist under the mandatory system and may result in disturbing rather than furthering international peace and security. What is the objection,' he asked, 'to obtaining the approval of the Security Council, which is a more representative body than the administering authority?'<sup>2</sup>

The position of the Soviet Government was in part similar to that of the Government of India. The Soviet delegate, Mr. Novikov, contended that the grant of the right to establish military bases in trust territories without the consent of the Security Council would mean that the administering authorities 'may utilize the trust territory for their military purposes without being subject to any control on the part of the United Nations.' The Soviet delegate, however, went farther than did the Government of India, in arguing that the construction of naval, military and air bases should be preceded by the conclusion of a special agreement designating certain parts of trust territories as 'strategic areas', within the meaning of Article 82 of the Charter and approved by the Security Council in conformity with Article 83.<sup>3</sup>

There does not seem to be much support in the Charter for the more far-reaching Soviet proposition whereas the language of Article 84 is certainly broad enough to warrant the advocacy of some measure of coordination between the use of trust territories for military purposes and the obligations assumed by the administering authority towards the Security Council presumably by means of the special agreements contemplated in Article 43. Be that as it may, it cannot be denied that, contrary to the prospect held out at San Francisco by the United States delegation that under Article 84 there would be 'no gap' in supervising the military use of trust territories, a gap does in fact exist.

None of the trusteeship agreements provide for any supervision by the Security Council of any part of the administering authority's use of 'volunteer forces, facilities and assistance from the trust territory in carrying out obligations towards the Security Council.' Furthermore, the supervision by the Trusteeship Council, as appears from the provision in the Provisional Questionnaire referred to above, is not intended to go very far. The additional question: 'What obligations with respect to the Territory has the Adminis-

<sup>1</sup> Cf. Articles 5 (c) of the Trusteeship Agreements for the Territory of Tanganyika, for the Territory of the Cameroons under British administration and for the Territory of Togoland under British administration. Official Records of the Second Part of the First Session of the General Assembly. Supp. No. 5, 1947.

<sup>2</sup> Official Records of the Second Part of the First Session of the General Assembly. Plenary meetings of the General Assembly. Verbatim Record, 23 October-16 December 1946, p.1268.

<sup>3</sup> *Ib.*, p.1218.

tering Authority undertaken towards the Security Council' may be helpful in eliciting some information on the character of the obligations but not necessarily on the military measures taken by the administering authority in the territory with a view to implementing them. The paucity of the questionnaire in matters relating to security is not accidental. It may be pointed out in the first place that Article 88 which empowers the Trusteeship Council to formulate a questionnaire as basis for annual reports to be submitted by the administering authority refers specifically to the 'political, economic, social, and educational advancement of the inhabitants' and fails to mention military or security arrangements. Secondly, it must be recalled that the United Kingdom in its proposal for a Trusteeship System and comments thereon took care to state clearly that the supervisory function of the Trusteeship Council shall be limited to civil affairs and that military affairs should be excluded. Military matters were also to be excluded from annual reports.<sup>1</sup>

Taking the military clauses of the trusteeship agreements together with the pertinent questions in the Provisional Questionnaire, it may be asserted that the General Assembly and the Trusteeship Council will not be able to exercise effective supervision over the military use of the trust territories. As a consequence they may not be able to suggest remedial action in the interest of the indigenous populations of such trust territories if they confine themselves to information provided by the administering authorities in their annual reports based upon the questionnaire. Of course, such action may be called for as a result of petitions from, and periodic visits to, trust territories.

At this connexion a further point may be made. As noted before, the Charter, in listing the objectives of the trusteeship system, places 'to further international peace and security' in the forefront of these objectives. This is restated in Article 84 as a definite duty of the administering authority. The Charter lists the promotion of the welfare of the inhabitants of the trust territories and their progressive development towards self-government or independence, in the second place. Could any conclusion be drawn from this arrangement? In particular, is the Charter intended to convey the idea of a sort of hierarchy of objectives in which the welfare and the progressive political development of the inhabitants is subordinated to the overriding duty of the administering authority 'to insure that the trust territory should play its part in the maintenance of international peace and security?' Any such conclusion might clearly be inimical to the interests of the trust territories and of their inhabitants and therefore should not lightly be put forward.

Unfortunately, it cannot be dismissed as being entirely without foundation. Before dismissing as untenable the subordination of the economic and political welfare of the inhabitants to the furtherance of international peace and security the following arguments need to be considered. Chapter XII of the Charter which lays down the principles governing the International Trus-

<sup>1</sup> See paragraphs 7 and 8 of 'United Kingdom Draft of Chapter for Inclusion in United Nations Charter,' Chapter 3. Territorial Trusteeship. Comments and proposed Amendments Concerning the Dumbarton Oaks Proposals. Doc. 2/G 26 (d), May 6, 1945, p.2.

teeship System, fails to include the principle, as the Covenant of the League of Nations did in Article 22, that 'the well-being and development of such peoples form a sacred trust of civilization' and that as a consequence of this 'securities for the performance of this trust should be embodied in this Covenant'. In comparing the Trusteeship System with the Mandates System this difference in approach is too important to be neglected. Moreover, in Chapter XI of the Charter which contains the 'Declaration Regarding Non-Self-Governing Territories' the members concerned do recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost the well-being of the inhabitants of these territories. However, there is an important reservation attached to this principle. For in the words of Article 73 the members concerned accept the obligation to promote to the utmost the well-being of the inhabitants, 'within the system of international peace and security established by the present Charter.' Thus here, beyond any peradventure, the promotion of the well-being of the inhabitants is subordinated to or, as the very maximum, put on the same level as the 'system of international peace and security.' The proclaimed paramouncy of the interests of the inhabitants is, in fact, no paramouncy at all.

Is it legitimate to draw any inference from this regulation regarding non-self-governing territories for the interpretation of the relevant provisions of the Trusteeship System? Those who will argue in the negative will point out that the subordination of the well-being of the inhabitants of non-self-governing territories to the exigencies of security of the metropolitan country or at any rate the equation between the interests of the inhabitants and the interests of security, is a necessary consequence from the fact that these territories and their inhabitants are in most if not in all cases under the sovereignty of the government which is responsible for their administration. This is not so in the case of the trust territories where the administering authority has no sovereignty. Those who incline towards answering the above question in the affirmative will rely upon the general similarity between non-self-governing territories and trust territories and furthermore upon the reference to 'the purposes of the United Nations laid down in Article 1 of the present Charter' in Article 76, paragraph 1 which establishes the basic objectives of the Trusteeship System. For the primary purpose of the United Nations is 'to maintain international peace and security.'

Moreover, the tendency in favour of a closer assimilation between non-self-governing territories on the one hand and trust territories on the other, manifested itself in the Sub-Committee appointed by the Fourth Committee during the Second Part of the First Session of the General Assembly. The Sub-Committee, charged to examine and to make recommendations on the eight proposed trusteeship agreements, agreed unanimously with 'the view expressed by the delegation of the Netherlands that the principle set forth in Article 73 of the Charter of the United Nations that the interests of the inhabitants of the Non-Self-Governing Territories are paramount, and the general obligations accepted in Articles 73 and 74 of the Charter, apply also to

the Trust Territories, due account being given to the terms of the Trusteeship Agreements and the different status of the two categories of Non-Self-Governing Territories.' This agreement was included in the Report of the Fourth Committee submitted to the General Assembly.<sup>1</sup>

However curious it may be that the principle of the Charter regarding non-self-governing territories should be deemed applicable to trust territories rather than conversely, the above agreement seems to lend further support to the inference that in trust territories as in non-self-governing territories the military interests of the administering authority take precedence, in case of conflict, over the welfare and the progressive development of the indigenous population.

It will be objected by 'realists' that the same situation prevails in the metropolitan countries themselves where the welfare of the people is frequently circumscribed and in fact dominated by the exigencies of national security. This is certainly so. The difference, however, is that in democratically governed metropolitan countries the people have rights along with duties whereas the peoples of the non-self-governing territories as well as of trust territories even if they participate in local government—which is the case only in the politically more advanced territories—they do not participate in the formation of the political decisions of the metropolitan government. They may be exposed to the hazards of war along with the people of the metropolitan country without having a voice in matters vitally affecting their interests. They are assimilated to the duties but not to the rights of the citizens with the exception that they are not to be conscripted for military service.

Summarizing the remarks on the defence aspect of the Trusteeship System it may be said that the new approach is dominated by considerations of national security to an extent and in a manner unknown to the Mandates System. In spite of this the Trusteeship System fails to provide guarantees that the discretionary power in military matters conferred upon the administering authority will not be used in furtherance of national rather than of international policy. It fails by the same token to provide guarantees that the sources of the trust territory will not be unduly devoted to military purposes instead of being devoted to the promotion of their welfare. Unlike the Mandates System which was based, conceptually at any rate, on the idea of the paramountcy of the interests of the inhabitants of territories under mandate, the Trusteeship System appears to be founded on the idea of the paramountcy of the national security interests of the administering authority.

The new approach to the question of equal opportunity in trust territories is another feature which distinguishes the Trusteeship System from the Mandates System. Under the Mandates System of the Covenant the Mandatory was responsible for securing in 'B' Mandates 'equal opportunities for the trade and commerce of other Members of the League.' This

<sup>1</sup> Trusteeship agreements. Report of the Fourth Committee. Official Records of the Second Part of the First Session of the General Assembly. Plenary Meetings of the General Assembly. Verbatim Records, 23 October-16 December 1946, p.1543.



so-called open door principle was intentionally excluded from the 'C' Mandates which, it will be recalled, were administered as integral portions of the Mandatory's territory.

At the San Francisco Conference the United States, in its draft proposal for a Trusteeship System, included an extended principle of non-discrimination. The United States, in fact, proposed that non-discriminatory treatment in economic and related matters shall apply in *all* trust territories irrespective of their former status as 'B' or 'C' Mandates. This met with serious opposition from various governments. The reaction of the United Kingdom may be taken as characteristic. The delegate from the United Kingdom urged in Committee 11/4 an amendment of the United States proposal on two grounds. First because 'this would have the effect of assimilating the status of 'C' Mandates to that of 'B' Mandates, thus altering the terms of the contracts under which the states responsible for 'C' Mandates had agreed to accept them.' And secondly because, 'it would also perpetuate in 'B' Mandates the existing non-discriminatory clauses, which had not always operated to the advantage of the dependent peoples concerned.'<sup>1</sup> The solution urged, among others, by the United Kingdom Government, would subordinate the grant of equal opportunity to the welfare of the indigenous population rather than to the interests of other governments and their nationals.<sup>2</sup>

The upshot of this was a further departure from the principles of the Mandates System, this time on the ground that it would (better) serve the economic interests of trust territories. One of the objectives of the Trusteeship System—the last in Article 76—is 'to ensure equal treatment in social, economic, and commercial matters for all Members of the United Nations and their nationals . . . without prejudice to the attainment of the foregoing objectives. . . .'. The 'foregoing objectives' includes: furtherance of international peace and security, and promotion of the political, economic, social, and educational advancement of the inhabitants of the trust territories.

On this occasion the Mandatory Governments displayed a remarkable solicitude for the interests of the 'inhabitants' of trust territories. Of course, it remains to be seen how the new system operates in practice. The term 'inhabitants' presumably includes immigrant settlers along with the indigenous population. It may be that in protecting the interests of the inhabitants the administering authority will have in mind the interests of the immigrant settlers and not necessarily those of the indigenous population in whose behalf the Trusteeship System supposedly was established. The interests of these two groups may or may not be similar and complementary.

Among the other points of difference between the Trusteeship System and the Mandates System the following may be mentioned briefly. Compared

<sup>1</sup> Summary of the Fourth Meeting of Committee 11/4 Doc. 310/11/4/11, May 15, 1945. 'United Nations Conference on International Organization' Vol x, p.440. See also the Official British Commentary on the Chapter of the United Nations, quoted above, paragraph 58 at p.12.

<sup>2</sup> Cf. Trusteeship. The Question of Equal Treatment in Economic and Commercial Matters in Trust Territories (Article 76 d). *Memorandum Prepared by the Secretariat.* Doc. A/JC. 4 W. 4. 25 October 1946, p.4.

with the Mandates System, the Trusteeship System has, theoretically, a wider application. It may apply in addition to mandated territories, to territories detached from enemy States as a result of the Second World War and any other territory that may be placed voluntarily under it by States responsible for their administration. So far the Trusteeship System applies only to former mandates and not even to all of them. South West Africa, administered by the Union of South Africa, has not yet been placed under the Trusteeship System in spite of repeated exhortation by the General Assembly. Whether other territories will be placed under the Trusteeship System remains to be seen. In the same order of idea it may be mentioned that the Charter does not attempt to classify the various territories according to their development and their final objectives. In other words there are no 'A', 'B' or 'C' trust territories. This is a point of minor importance as the application of the objectives of the Trusteeship System will naturally vary with the stage of development reached by, and the potentialities of, the individual trust territory concerned. Thus, for instance, the progressive development of trust territories towards self-government or independence is stated in the Charter itself to be dependent 'upon particular circumstances of each territory and its peoples.'

Another point of difference is that under the Trusteeship System there is a wider choice regarding the administering authority. According to the Charter there may be designated as administering authority not merely one or more States but the United Nations Organization itself. This is again a point of theoretical difference, as so far the United Nations Organization has not been chosen as administering authority for any territory. The delegation for India formally moved in the Fourth Committee of the General Assembly that as a rule the administering authority for a trust territory shall be 'the Organization itself,' as indicated in Article 81.<sup>1</sup> This proposal, however, was not adopted. In the course of the debates on the future government of Palestine, the United States suggested a trusteeship for Palestine to be administered by the United Nations through the Trusteeship Council or a body appointed by it. This proposal failed to find sufficient support and, as a consequence, was allowed to drop.

With reference to methods and means of supervision several changes were made. Like the Permanent Mandates Commission, the Trusteeship Council will rely for its information on annual reports and other documents submitted by the administering authority. The Trusteeship Council like the Permanent Mandates Commission is authorized to accept petitions. This, as was pointed out by the British Government 'is a specific recognition of the practice adopted by the League.'<sup>2</sup> There is one important point of difference, however, in connexion with petitions. Whereas the hearing of petitioners was an un-

<sup>1</sup> Fourth Committee. Trusteeship. Proposed Resolution of the Delegation for India concerning the Administering Authority in Trust Territories. Doc. A/C.4/33.2 November 1946.

<sup>2</sup> See Official British Commentary on the Charter of the United Nations, above, paragraph 60 at p.12.

official practice of individual members of the Permanent Mandates Commission, the Trusteeship Council may hear petitioners officially and has, in fact, done so. The first hearing was granted to Mr. Sylvanus Olympio of the Ewe people with a view to assisting the Trusteeship Council in examining the grievances formulated by the Ewes.

The supervisory function of the Trusteeship Council is further strengthened by the grant of the power to provide for periodic visits to the trust territories. The Permanent Mandates Commission was divided upon the question of conducting investigations in mandated territories. On the one hand it did not consider itself competent to undertake such investigations and on the other it 'could not make up its mind to propose that the Council (of the League) should confer this right upon it.'<sup>1</sup> The Council itself, however, in several cases of exceptional importance, did dispatch commissions to certain territories under mandate.<sup>2</sup> It is well to bear in mind that the problem before the Permanent Mandates Commission concerned the right to *investigate* and not the right to visit.

Article 87 of the Charter confers upon the Trusteeship Council authority to 'provide for periodic visits to the respective trust territories at times agreed upon with administering authority.' It is clear from this clause (a) that the power of the Trusteeship Council is one to make 'visits' and not to carry out inquiries or investigations on the spot and (b) that such visits cannot be made at times deemed necessary by the Trusteeship Council alone but only at times agreed upon with administering authority. This constitutes, it will be appreciated, a severe limitation upon the supervisory functions of the Trusteeship Council.

On the other hand, Rule 97 of the Rules of Procedures for the Trusteeship Council approved at its first session on 23 April 1947, states that 'the Trusteeship Council may, in agreement with the Administering Authority, conduct special investigations or enquiries when it considers that conditions in a trust territory make such action desirable.' This power, it is clear, is subordinated to the pleasure of the administering authority concerned. It is furthermore obvious, that there is a distinction, though one may speculate what precisely its bearing is, between the Charter provision for visits and the possibility under the Rules of Procedure of carrying out 'special investigations and enquiries.' The first visit under the auspices of the Trusteeship Council was dispatched to Western Samoa in response to a petition from this territory. However, it was not a 'periodic visit' but a 'visiting mission.'

The Charter itself is silent on the objectives of periodic visits. The Rule of Procedures charge the Trusteeship Council (Rule 94) to make provision for periodic visits 'with a view to achieving the basic objectives of the International Trusteeship System.' This was criticised by the representative of the Soviet Union in the Fourth Committee of the Second General Assembly. He claimed that Rule 94 'makes it difficult for the Trusteeship Council to carry on investi-

<sup>1</sup> League of Nations. *The Mandates System; Origin-Principles-Application.* Doc. VI A. Mandates. P.44.

<sup>2</sup> *Ib.*, p.45.

gations of a political nature.<sup>1</sup> This criticism was based on the discrepancy between Rule 94 and the corresponding clause (Rule 61) proposed by the Preparatory Commission of the United Nations. As envisaged by the Preparatory Commission, the Trusteeship Council would conduct 'as one means of giving effect to Article 76 (b) of the Charter, periodic surveys of the development of the political institutions and capacity for self-government or independence of the inhabitants of each territory for which the Council is empowered to conduct such surveys by the terms of the trusteeship agreement.'<sup>2</sup> The proposed Rule 61 would have conferred upon visiting missions effective power to conduct such surveys.

The administering authorities were apparently unwilling to go quite so far. The reference to the 'basic objectives' is broad enough to include political developments. However, the powers of the visiting missions will presumably be defined in agreement with the administering authority. Rule 95 refers merely to the terms of the respective agreements. Some agreements, like those concerning Western Samoa, New Guinea, Nauru and the Territory of the Pacific Islands omit to deal specifically with periodic visits. The agreements concerning the three territories under British Trusteeship uniformly declare that the administering authority undertakes 'to facilitate any periodic visits to the Territory which they (the General Assembly and the Trusteeship Council) may deem necessary, at times to be agreed upon with the Administering Authority.' This leaves open the question of terms of reference. On the other hand the Belgian and the two French Trusteeship Agreements are more explicit. In these agreements the administering authority undertakes to facilitate periodic visits on dates to be jointly agreed upon and also to agree jointly with the General Assembly or the Trusteeship Council 'on all questions concerned with the organization and accomplishment of these visits.'<sup>3</sup> This, it would seem, gives the administering authority the power to withhold consent to any visit to the terms of reference of which it takes exception. These are further and important limitations upon the power of the Trusteeship Council to use periodic visits as an effective instrument of supervision.

Another important point on which the Trusteeship System is said to be more advanced than the Mandates System concerns the composition of the Trusteeship Council and its place in the organization of the United Nations. The responsibility of supervising mandates was vested directly in the Council of the League. In the exercise of this responsibility the Council was assisted by an advisory body, the Permanent Mandates Commission, referred to the Article 22, paragraph 9 of the Covenant. Originally composed of nine members, the Council raised the membership of the Permanent Mandates Commission to ten members and then added one extraordinary member, Professor

<sup>1</sup> Report of the Trusteeship Council Covering its First Session. Report of the Fourth Committee. Doc. A/421. 27 October 1947, p.2.

<sup>2</sup> Report of the Preparatory Commission of the United Nations. Doc. PC/20. 23 December 1945, p.58.

<sup>3</sup> Cf. Article 3, paragraph 2 of the Agreement Concerning Ruanda-Urundi and Article 2, paragraph 3 of the Agreements Concerning the French Cameroons and French Togoland.

William E. Rappard. The members were not representatives of governments but individual experts who served without limit of time. The majority of members were nationals of non-mandatory States.<sup>1</sup>

The Trusteeship Council, on the other hand, is one of the principal organs of the United Nations, it is composed of governments and equally divided between administering and non-administering members of the United Nations. The latter are elected for three-year terms. Although listed as one of the principal organs, the Trusteeship Council is in fact subordinated to, and carries out its functions under the authority of the General Assembly. The claim frequently made that the Trusteeship Council enjoys a 'higher' status than was enjoyed by the Permanent Mandates Commission is therefore of relative and minor importance. The governmental composition of the Trusteeship Council is generally praised as reflecting a higher degree of realism. More than that, it has been said that owing to its official membership the Trusteeship Council 'should prove to be a more important and effective organ than the Permanent Mandates Commission.'<sup>2</sup> One need not be dogmatic about this matter. It is true that much of the success of the League Mandates System was credited to the competence, independence and impartiality of the members of the Permanent Mandates Commission.<sup>3</sup> Far from disavowing its advisory body as one of 'irresponsible experts,' the Council of the League, on the contrary, as a rule adopted the conclusion submitted by the Permanent Mandates Commission.<sup>4</sup> The United Nations generally follows the rule that its organs should be composed of official government representatives, a rule which has provoked some pertinent criticism.<sup>5</sup> The governmental composition of the Trusteeship Council, by itself, need not, of course, be decisive, neither for its success nor for its failure. Among the reasons advanced against undue pessimism on that score are; first that the Trusteeship Council is in law bound to perform its functions in a manner calculated to achieve the purpose of the Trusteeship System and secondly that the Trusteeship Council votes by a simple majority and therefore there need be no undue tendency to political compromise.<sup>6</sup>

These are, of course, important factors. The future will doubtless show whether they operate to the advantage or disadvantage of the trust territories and their inhabitants. The governmental composition was probably an inevitable consequence of the great, nay the predominant importance of the security factor incorporated in the Trusteeship System. It is this factor which may also account for the principle that all the permanent members of the Security Council, that is the Five Great Powers, shall be permanent members of the Trusteeship Council.<sup>7</sup> Their presence is likely to lend a political

<sup>1</sup> The Mandates System, quoted above, p.36.

<sup>2</sup> Charter of the United Nations. Report to the President of the Results of the San Francisco Conference by the Chairman of the United States Delegation, the Secretary of State. Department of State Publication 2349, Conference Series 71, p.136.

<sup>3</sup> Rappard, loc. cit., p.416.

<sup>4</sup> The Mandates System, quoted above, p.37.

<sup>5</sup> A. Loveday, 'An Unfortunate Decision,' *International Organization*, Vol 1, 1947. pp. 279-90.

<sup>6</sup> L. Oppenheim, *International Law*, Vol. 1, 6th edition (by H. Lauterpacht, 1947), p. 213.  
<sup>7</sup> Wellington Koo, *Voting Procedures in International Organizations*, 1947, p.284. During the first two sessions of the Trusteeship Council the USSR was absent on the ground that

complexion to the work of the Trusteeship Council. Moreover, the voting procedure, far from minimizing a trend towards political accommodation, may on the contrary strengthen such trends and thereby reduce rather than heighten the effectiveness and authority of the trusteeship Council.

This view, which it is admitted may be belied by subsequent events, is based on the Rules of Procedure of the Trusteeship Council. Rule 37 simply restates the principle of Article 89, paragraph 2 of the Charter, that the decisions of the Trusteeship Council shall be made by a majority of the members present and voting. Rule 37 extends this principle to recommendations. Rule 38, however, deserves attention. It reads: 'If a vote other than for an election is equally divided, a second vote shall be taken at the next meeting or, by decision of the Trusteeship Council, following a brief recess. *Unless at the second vote there is a majority in favour of the proposal it shall be deemed to be lost.*'<sup>1</sup> This is apparently based on Rule 85 of the Provisional Rules of Procedure of the General Assembly. Its application in the Trusteeship Council, however, is of special significance in view of the peculiar composition of that body. Obviously, inasmuch as the membership of the Trusteeship Council is equally divided between members which administer trust territories and members which do not, it was not unreasonable to anticipate that colonial and non-colonial or anti-colonial countries may become deadlocked on certain proposals. Therefore some method for overcoming the deadlock had to be invented. It stands to reason that method adopted in Rule 38 favours the *status quo* in trust territories, and thus it may be deemed to favour the administering authorities, at least temporarily. Rule 38 may also lead to compromise particularly on politically relevant issues. For in order to split the solid block of administering members which presumably have certain interests in common, or to prevent its formation the non-administering members may find it necessary to lower their sights unless they choose to carry their proposals to the floor of the General Assembly and face an uncertain decision there.

Competent observers assert that during the first two sessions of the Trusteeship Council no split had occurred between the administering and the non-administering members.<sup>2</sup> In connexion with the petition of the Ewe people, perhaps the most controversial issue yet to come before the Trusteeship Council, the administering members 'Belgium, France, Britain, and Australia were the leading advocates of the *status quo*. New Zealand and the United States, the other two administering authorities, took a middle position. Most active in upholding the point of view of colonial people were China, Iraq and Mexico, with China the most effective of the three. Costa Rica and the Philippines, new members of the Council, have not yet played an active role.'<sup>3</sup>

the Trusteeship Council was not legally constituted. When the U.S. proposal for a trusteeship for Jerusalem came before the Trusteeship Council, the USSR decided to take advantage of its statutory membership and was represented at the 37th meeting of the Trusteeship Council on 27 April 1948.

<sup>1</sup> Italics supplied.

<sup>2</sup> Vernon McKay, 'United Nations sets Stage for Development of Trusteeship Areas,' *Foreign Policy Bulletin*, Vol. 22, Number 12, 2 January 1948, p.2.

<sup>3</sup> *Ib.*

The Soviet Union which has recently participated in the deliberations of the Trusteeship Council may be expected to lend its support to the aspirations of the inhabitants of trust territories.

The performance of the Trusteeship Council so far offers hardly a sufficient basis of comparison with the accomplishments of the Permanent Mandates Commission. Hence it would be premature to formulate any conclusions. It is admitted on all sides that there are some substantial differences between the general approach to, and the mechanism for, the supervision of territories under trusteeship and territories under mandate. Some observers unreservedly accepted these differences as manifestation of realism and ventured the prediction that the Trusteeship System would work better than did the Mandates System.

The claim of realism must be conceded. But realism is not always preferable to idealism, and there is no reason to assume an incompatibility between realism and idealism. What is meant by realism is frequently nothing more than a policy or an arrangement which is adjusted to the traditional disinclination of national States to accept far-reaching limitations upon their freedom of action. In this sense the Trusteeship System is certainly realistic. Gone is the root idea of the Mandate System, namely that well-being and development of peoples not yet able to stand by themselves under the strenuous conditions of the modern world 'form a sacred trust of civilization', and that as a consequence the mandatory power is bound to observe an attitude of disinterestedness vis-a-vis territories under mandate.<sup>1</sup>

Far from being a disinterested mandatory, the administering authority, under the Trusteeship System, is conceived as a very interested party indeed. The altruism of the Mandates System and, to some extent, of the League of Nations as a whole has given way to the egotism of the Trusteeship system and the realism of the United Nations. The 'militancy' of the Trusteeship System, it is believed, is only one of the symptoms of the absence of collective security in the United Nations. As far as the indigenous people of the trust territories are concerned, the strenuous conditions of the modern world, mentioned in Article 22 of the Covenant, seem to be getting progressively more rather than less strenuous. In this respect they inevitably share the lot of the metropolitan peoples themselves for many of whom the 'struggle for life' has acquired a new meaning.

Some will say, perhaps, that it is just as well that the fiction of the disinterested attitude has been torn apart and replaced by the frank recognition of the inevitable play of security interests and of power politics. The Trusteeship System is not by any means the only part of the Charter of the United Nations which bears witness to the current retreat from the idealism of the League of Nations.<sup>2</sup> This is said with no desire to criticize for the sake of criticism nor with any thought of belittling the achievements in international cooperation scored in recent years. Rather the motive is to

<sup>1</sup> The Mandates System, quoted above, p.51; Rappard, loc.cit., p.413.

<sup>2</sup> See my paper: 'The Charter of the United Nations and the Lodge Reservations.' *American Journal of International Law* Vol. 41, 1947, pp. 531-534.

promote a clearer recognition of the limits to which the statesmen of the day are prepared to go and, in so far as the Trusteeship System of the United Nations is concerned, the limits to which they have actually gone. Once the general drift of international affairs is clearly conceived, then any particular segment, like the Trusteeship System, will be seen in its proper perspective.

Be that as it may, it is incontrovertible that in final analysis the success or failure of the new experiment will depend 'on the good faith expressed through national policies of responsible governments. The policies of governments alone,' said Dr. Ralph Bunche, the present Director of the Trusteeship Division in the United Nations Secretariat, 'can breathe life into the dependent-territory arrangements devised at San Francisco.'<sup>1</sup> Of equal importance, perhaps, is also the degree and the speed with which the indigenous peoples themselves will acquire the determination and also the power to take advantage of the opportunities offered them under the Trusteeship System. It is extremely interesting to recall here the pertinent observation made by the Secretary-General of the United Nations, Mr. Trygve Lie, that while these peoples have not yet fully grasped the significance of the Trusteeship System, 'it may be anticipated that the indigenous peoples of the Trust Territories will make increasing use of this means (i.e. petitions) of bringing their more serious problems to the attention of the United Nations.' On the other hand he assured these peoples that 'there is, and there will continue to be, a serious intent to make these principles and objectives (of the Trusteeship System) assume real meaning in the daily life of the peoples under Trusteeship.'<sup>2</sup>

This, it is believed, is the crux of the matter. The members of the United Nations, all of them and not merely the dozen or so members of the Trusteeship Council, must intend to make the system work, not merely to their own advantage but also to that of the peoples under their trusteeship. Moreover it is absolutely essential, as suggested by Mr. Trygve Lie, to familiarize the indigenous peoples with the obligations assumed by the administering authority, with the duties of the Trusteeship Council, with the objectives of the Trusteeship System and with such rights as are conferred upon them by the trusteeship agreements. It would be extremely important to know what is being done by the authorities on the spot to enlighten the indigenous peoples about these important matters. It would also be interesting to know whether anything is being done or could be done by the United Nations itself to carry the necessary information to the peoples concerned. No doubt much could be done by visiting missions sent to the trust territories by the Trusteeship Council.

A great responsibility rests doubtless on the shoulders of these members of the United Nations who have themselves only yesterday exchanged the sta-

<sup>1</sup> Ralph J. Bunche, 'Trusteeship and Non-self-governing Territories in the Charter of the United Nations.' *Department of State Bulletin*, Vol. 13, Number 340, 30 December 1945, p. 1044.

<sup>2</sup> 'Annual Report of the Secretary-General on the Work of the Organization.' *Official Records of the Second Session of the General Assembly, Supplement No. 1, A/315*, 14 July 1947, p. 56.



tus of dependent peoples for that of free peoples enjoying the advantage of full self-government. While the ultimate responsibility for the success and failure of the Trusteeship System must remain with the administering authorities, the Trusteeship Council and the General Assembly, the indigenous peoples themselves, assisted by the ex-colonial countries, can make an important contribution to the success of the Trusteeship System by utilizing in the fullest measure the opportunities afforded them by the Charter and the trusteeship agreements. If this should come to pass—and there is reason to hope that it will—then indeed the imperfections of the Trusteeship System of the United Nations will be no more an irreducible or permanent obstacle to success than were those of the Mandates System of the League of Nations.

## SOME REFLECTIONS ON INDO-AUSTRALIAN RELATIONS<sup>1</sup>

By B. P. ADARKAR

IN October 1946, in pursuance of a promise made by the then Finance Minister, Sir Archibald Rowlands, in the Central Legislature, an official delegation, consisting of Mr. B.K.Nehru, Joint Secretary in the Finance Ministry, and myself, was sent to Australia to study the system of financial relations between the Centre and states in that country with a view to its application to Indian conditions. This gave me an opportunity to fulfil a long cherished desire to see this new country and to make contacts with its people with a view to acquire a first-hand knowledge of their social and economic problems. In 1931-2, when I wrote my *Principles and Problems of Federal Finance*, I had made a special study of Australia's financial and economic problems and also of her constitutional structure. Subsequently, I was fortunate in making contacts by correspondence and otherwise with distinguished Australian economists and public men like Dr. Copland, Sir F. Eggleston and others.

The Government's decision to send me to Australia was conveyed to me when I was in New York in connexion with the United Nations work as Adviser to the Indian Delegation to the Economic and Social Council. I was asked to proceed straight from New York to Australia instead of returning to India. This enabled me to make a round-the-world tour in the most unexpected manner. I left New York on 16 October by the United Air Lines for Vancouver in Western Canada, *Via* Chicago, Cleveland, Salt Lake City, Seattle, etc. From Vancouver, on the following day, I took another plane of the Australian National Airways for Sydney. This was the first trip of the Australian National Airways' new service between America and Australia. Consequently, the Company's crew, as well as the passengers, were in a holiday mood, and as a result the trip between Vancouver and Sydney was a somewhat leisurely one, and I was behind schedule in reaching Sydney. On the way, we stopped at Honolulu for two days and also at Fiji, Samoa and Captain Islands before

<sup>1</sup> The views expressed here are entirely the personal views of the Author.

reaching Sydney. Wherever we went we made most of the time and explored all sights worth seeing. Honolulu struck me — though it would be trite to say so—as one of the most attractive places in the world, with tropical sunshine, wonderful flora and fauna, white sands, blue sea water, coconut palms on the beaches, smiling faces and, in general, an atmosphere of gaiety and *joie de vivre*. Comparatively, the other islands visited by us were barren spots, more or less of the nature of lagoons. At Honolulu, I met that distinguished Indian merchant, Mr. Govindram J. Watumull, who has built up a very big business at the place and also in California and who is known to India as a distinguished educational philanthropist. Although the scenic beauty of Honolulu and the Pacific reminded me of the poet's words 'where every prospect pleases,' still owing to the suddenness of the long trip, I had to face considerable inconveniences on the way, especially for lack of proper hotel accommodation at Vancouver and also lack of adequate dollar currency in my pockets. (By mistake, I took in travellers' cheques more British pounds than dollars with me and at Vancouver, in spite of Canada being a part of the British Empire, sterling was of no use!).

I arrived in Sydney on 23 October and found my friend and colleague, Mr. Nehru already comfortably entrenched in a very decent hotel. Mr. Nehru had come directly from India by a Lancastrian Skymaster and was received at Sydney as a V.I.P. (very important personage)! Comparatively, when I arrived at Sydney in spite of diplomatic credentials, somehow or other I was made to feel at the customs barrier that I was a foreigner. My very first contact with Australia, thus, was somewhat unpleasant.

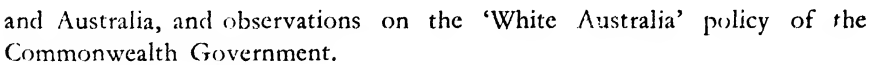
Mr. Nehru and I left for Canberra immediately. We held preliminary discussions with Commonwealth Treasury Officials with regard to our official work. It was suggested to us that it would be of advantage if we visited the capital cities of the six Australian states and also, in particular, see the Commonwealth Grants Commission actually at work. Accordingly, we proceeded straight to Perth in Western Australia, where the Commission was going to hear the case of that state for financial assistance. In the last week of October and the first of November we sat with the Commonwealth Grants Commission while they examined witnesses and studied public accounts. During this period, we also accompanied the Commission on a tour of the south-west of Western Australia—a tour which forms part of the examination of every state's case and enables the Commission to obtain a first-hand view of the economic and financial situation. During our trip to the south-west of Western Australia, we visited a number of places including the Wild Flower Forest, the fruit gardens and the subterranean limestone caves of that region.

On our return from the south-west, we halted at Perth for a few days, as the Commission was hearing the formal case of Western Australia there. By car and on foot we saw a large part of Perth and neighbouring country. My impressions of the fair city of Perth will remain a memory for life, as here, indeed, was a city, neither too large nor too small, breathing prosperity and enjoying the peace on earth, and beautiful from every point of view. I was reminded of the poet who sang 'If paradise is anywhere, it is here, it is here.'

We left Perth on November 6 for Adelaide, capital of South Australia, and from Adelaide we proceeded to Melbourne on November 8 and as this was the headquarters of the Grants Commission, we stayed there for nearly two weeks. Melbourne, one of the two largest cities of Australia, was very impressive, with an undulating terrain and with garden houses everywhere. In Melbourne we had a very busy and interesting time indeed and saw some of the prosperity of Australians. I was particularly impressed by the care free, gay life of the Melbourne people, and the sense of equality and democracy prevailing everywhere. Here I may compare the conditions of life in Australia with those in England and the United States, where I had spent the previous four months or so. In England, there was a general atmosphere of scarcity and of regimentation of the people in various ways to meet the scarcity. Likewise, although in the United States there was plenty to eat and plenty to drink, nevertheless in the cities at least, I thought the people lived a life of rush and hustle. In Australia, on the other hand, I found a comparative indifference to the cult of money-making and a better mental balance towards things of the earth earthy, and things of the mind. There was everywhere a spirit of calm and contentedness bordering almost on complacency.

We had a busy official time in Melbourne and a lot of discussions on financial questions. From Melbourne Mr. Nehru paid a two-day visit to Hobart (Tasmania) and we then returned to Canberra for further discussions with the Commonwealth officials. A word about Canberra. Canberra is an unrealized ambition. It was proposed to be the capital city of Australia on a large scale comparable with the capital cities of some of the other countries. However, it has a population of less than 15,000, and it is in fact so sparsely populated that it can be said almost to be a small miniature of Australia herself. However Canberra has been nobly planned, and if Australia has ever the good luck of having a large population, even Canberra may come into its own. At present it looks like an old deserted Greek city, with a few massive buildings and large tracts of lawns interspersed with blossoming trees, without much habitation. One can walk furlongs at a stretch in Canberra without coming across a living being. At the same time, it has a quiet beauty of its own and especially from the Parliament House can be seen at its best. In the first week of December, we visited Sydney, the capital of New South Wales. Sydney is a rival of Melbourne and the denizens of each of the two towns will boast of the superiority of their own town, but the impression, right or wrong, that I gathered was that there was as much to choose between the two as between Tweedledum and Tweedledee. From Canberra, I made a short trip to Brisbane in Queensland. Queensland has a luxurious vegetation and is very tropical—almost like India—so far as the geographical features, weather and the flora and fauna are concerned. It was the beginning of summer when I was in Brisbane, and I well remember the sultry heat of the place. However, the people of Brisbane seemed to be very proud even of their weather and of everything else like citizens of any other city. From Brisbane, I returned to Sydney and some time later we left Sydney for India by a B.O.A.C. flying-boat.

The above is a very sketchy outline of our tour programme in Australia. I propose now to touch upon a number of things which I observed in different places and the impressions I collected from my contacts with Australians and my readings of current Australian political and social literature. In stating those observations, I must state that I have no axe to grind of my own and that I wish to be as free and frank as possible. At the same time, I cannot possibly forget the great courtesy with which we were received in Australia wherever we went and it would be an unworthy recompense on my part to withhold praise where it was due or to criticize my erstwhile hosts. I would make these observations under three groups, viz: general observations, observations relating to the future politico-economic relations between India

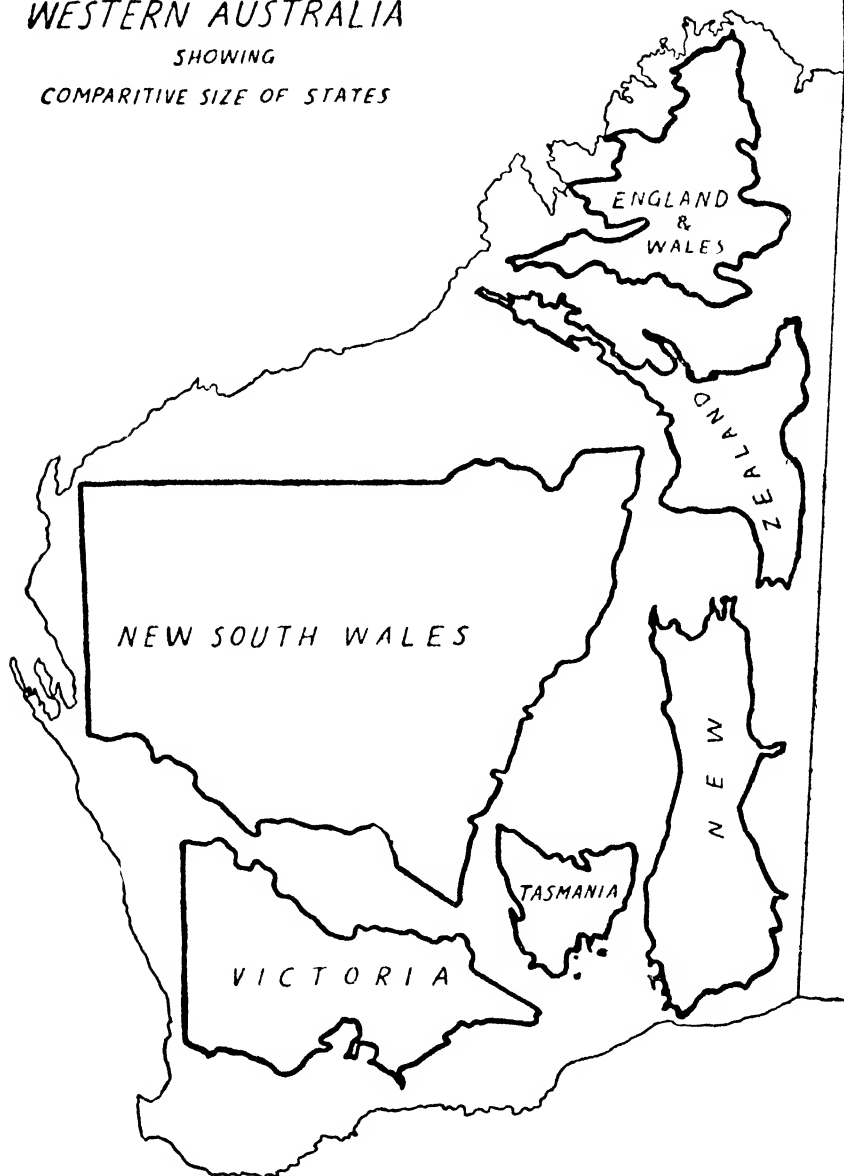


It is well to know something about certain basic features and facts relating to Australia and her people. Here are some important facts to be remembered. The area of Australia is roughly 3 million square miles. If you want to be exact, it is 2,974,581 sq.m., of which 1,149,320 sq.m. are in the tropics. This can be compared with the United States having an area of 3 million sq.m.; Japan, 262,000 Sq. m.; Great Britain and Northern Ireland 94,000 sq.m.; and India 1,571,000 sq.m. Inside Australia you could squeeze about 32 United Kingdoms, or 24 Norways, or 29 New Zealands, or two Indias (including Pakistan).

At the same time the population of Australia, according to a 1944 estimate, was only 7,306,637. Of these more than 4,600,000 live in cities and towns, while 3,500,000 live in the six states capital cities alone. The stork is not

## *WESTERN AUSTRALIA*

*SHOWING  
COMPARITIVE SIZE OF STATES*



very kind to Australians, the present Australian birth rate is only 20.6 per 1000, and the population only increases by 140,000 per annum.

The density of population in Australia is only 2.4 per sq.m. Before World War II, the density in Europe was 121 to the sq.m. In Belgium it was 699; in the Netherlands 671; and in the U.K. 506. In Asia even with large uninhabitable areas and deserts, it was 73. In Japan, it was pretty high at 389, although in certain arable parts of the country it was 2,774 persons to the sq. m.—the highest in the world. The country with the greatest density in the world is Java, the neighbour of Australia, and has a density of 737 to the sq. m. In Canada—another British Dominion—the density is 3.1, while in the U.S. it is 43. That a majority of the Australian population live in the cities is another indication of under-population, as the following figures will show:—

New South Wales, 2,870,956 (Sydney, 1,337,000); Victoria, 1,997,804 (Melbourne, 1,107,000); Queensland 1,065,414 (Brisbane, 344,200) South Australia, 621,998 (Adelaide, 350,000); Western Australia, 485,407, (Perth, 230,000); Tasmania 245,434 (Hobart, 67,900); Northern Territory (including Darwin) 5,179; Australian Capital Territory (Canberra), 14,445.

Western Australia which has a total area of nearly 2/5ths of Australia as a whole, and which has nearly one-fourth of the total area suitable for close population, peoples less than 500,000 souls. The entire population of Western Australia can be crammed into a small, second-rate city in India! Out of this nearly half is concentrated in the city of Perth.

In a country of the size of Australia, it is possible to experience every kind of climate. While the west coast of Tasmania has been compared to the west coast of Ireland, with its rain and moist mists, much of the southern part of Australia has been compared to the Mediterranean basin with its warm summer and long hours of sunshine. In the Australian Alps, winter sports can be enjoyed for several months. On the other hand, there is a large area of desert country in the heart of the country surrounded by a semi-fertile belt with low rainfall. The wheat plains and pasture lands of the south-east river basin can be compared to the Caspian steppes of Russia; the tropical north of Australia with the monsoon area of Central India; and the heavy rainfall of the Queensland coast with the Madras coast of India.

In spite of its small population, Australia is one of the leading agricultural countries of the world and its products constitute a large proportion of the food supplies of many countries. As can be expected, for many years after the first settlements, economic activity was concentrated on primary production, and largely owing to labour shortage, there was little attempt to establish secondary industries until well in the present century. However, during the last two decades or so great strides have been made by Australia in the industrial field. Australian wool production surpasses that of any other country and the vast numbers of sheep feed and clothe a considerable section of the world population. Australian cattle provide beef and dairy products and leather, while pigs, horses and poultry are raised in numbers. Wheat and other heavy grain crops are harvested in large quantities and exported to all parts of the world (including India). The Australian fruit industry is a growing one and a rich source of potential supply to India. As regards industries, these received

a great impetus during the 1914-8 war. Many of these were available for conversion to war production during the World War II. The steel plant of Broken Hill Pty. Co. Ltd. is one of the largest in the British Empire. This, as well as other undertakings, were equipped for mass production during the war and the expansion has been remarkable. Different types of aircraft and aircraft engines have been produced now on a mass scale along with an astounding variety of munition goods. The total output of manufacturing industries was estimated at £500 million in 1938-9, while three years later, it stood at £773 million. The total national income in Australia was about £1,800 million in 1938-9, but in 1943 it had risen to £2,300 million. The average *per capita* income was £259 a year in the former and £327 in the latter year. (The Australian £ is equal to Rs. 10 approximately).

Turning from national and *per capita* incomes to the structure of society, the first impression formed in one's mind is that in Australia there is greater equality of both earnings and social strata. There is no aristocracy as such in the country as in Britain, but broadly speaking, a very active and living democracy in social as well as political life. Form and formality are usually absent, and a spirit of broad *bon-homie* and a hail-fellow-well-met atmosphere prevail everywhere. We had heard so much of the rough barracking manners of Australians before going to the country that we were agreeably surprised to find them quite suave and gentle in their manners particularly to foreigners. In fact, there was less brusqueness to be found in Australia than in (say) England or the United States, and I may also state further that, in spite of the 'White Australia' policy, the treatment of coloured people by the Australian *public* was much better than in certain other parts of the British Commonwealth or in the United States. Even where our identity (as Government officials from India) was not known, the reception accorded to us and the good manners shown to us gave strong grounds for hope that the future of Indo-Australian relations was bright.

In her relations with Britain, Australia has a strong 'Mother Country' complex even to this day, and it was rather interesting to note that even individual Australians prided themselves on the fact that they were 'British.' However, I found that there was less consciousness of race superiority among Australians than among other members of the British Commonwealth (barring perhaps the New Zealanders). Also, they have been far less keen on assuming a dominant rôle in international policies of either political or economic expansion. Perhaps, the main reason for this insularity of outlook is that for Australians there is enough to do and achieve on the vast expanses of the Australian continent without troubling themselves unduly about what is going on in the outside world.

#### IV

A few words about the internal and international politics of Australia. Here I shall confine myself to a factual statement of the present-day situation instead of giving a detailed or critical account. Internally, Australia is already a socialist democracy. Not only is the Commonwealth Government at present

a Labour Government but in five out of the six states also at the time of our visit, there were Governments controlled by a Labour majority. Consequently, the entire tenor of internal politics was social democratic with a great emphasis on social welfare and economic development. Moreover, as a result of a more or less universal predominance of socialism, there is today less occasion for any conflict between the Federal Government and the states than in the early days of federation. Of course, 'state-righters' are quite alive in Australia as (e.g.) in the United States in their opposition to federal domination, but the Commonwealth Government has made so many inroads into the states' sphere during the past few years, owing to the exigencies of the war as also through its financial powers, that there is discernible a more accommodative attitude on the part of the states. Also with the gradual emergence of Australia as a major Pacific power, there is a greater realization on the part of the states of the necessity of strengthening the hands of the Commonwealth Government. Amongst the states *inter se*, there are the usual little jealousies to be found amongst the units of most federations especially in the field of federal grants-in-aid, but constant collaboration on vital national issues made possible at various inter-state and federal-state conferences at ministerial level, has of late caused their sharp edge to wear off.

In the international sphere, the economy of post-war Australia would seem to involve a choice among economic nationalism, economic imperialism and economic internationalism. It is clear that Australia faces post-war problems with a desire to be politically, economically and strategically self-reliant, but she is not unwilling to accept commitments as part of a co-operative world effort to restore stability and security, particularly in the Pacific area. The war with Japan has convinced the Australian people for the first time that Britain may not always be in a position to give the degree of assistance that they have enjoyed in the past. At present, therefore, there is an increasing tendency to look jointly to Britain and the U.S.A. for help in those defence needs which Australia cannot provide herself. Thus, Mr. W.E. Hill, writing in the *Austral-Asiatic Bulletin* (March 1945), argues that 'politically and strategically the United States and Australia have common interests in any programme for the preservation of the peace of the Pacific'. He suggests that Australia should look to the United States for four basic essentials for her future development: viz., a market for raw materials, a source of population, a source of manufactured and specialty goods, and a source of capital. The Australia-New Zealand Agreement of 1944 clearly recognized the inadequacy of 'Anzac' defences and the unsuitability of the British Navy for the task. The Agreement proposed a South Seas Regional Commission representing Australia, New Zealand, the United Kingdom, France and the United States. This idea was subsequently worked out in the recent Pacific Conference of Metropolitan Powers held in Australia almost at the same time as the Asian Relations Conference in India.

Somewhat contrary to this ideal of collaboration with the United States and other metropolitan powers is the persistent trend of Australia's foreign policy in the direction of upholding the rights of smaller nations. The growing strength of the United States in the Pacific region is not wholly appreciated



in Australia and especially in the disposal of 'enemy territories' in the Pacific, Australian interests have clashed with those of the United States. Australia, therefore, has consistently raised her voice against the 'risks of a Big-Power Peace.' Thus, Dr. Herbert V. Evatt, Australia's Foreign Minister, writing in *Foreign Affairs* (January 1946), maintains that the prevailing pessimism in the world is mainly due to the attitude of the leading Powers to make the writing and execution of the peace treaties their own exclusive prerogative. 'At every stage of the war,' he says, 'Australia and other nations which have a clear record of active and sustained belligerency have been trying to establish the principle that it is not only just, but also essential, that all of them should participate in the peace making process.' Australia's Foreign Minister is of the view that the future of mankind may well be determined as much by the courage, initiative, determination and democratic idealism of the smaller powers as by the strength and leadership of the major powers.

That the safety and well-being of mankind depend upon equality of rights among nations and that Big Power politics are fraught with grave consequences for the world are propositions which also form a basic factor of India's foreign policy, which has right from the birth of her freedom shown an independence of outlook. But the difference in the working-out of these concepts by Australia and India is well brought out in relation to the Indonesian problem. There is an unwillingness to hurt Dutch susceptibilities for the sake of Indonesian freedom as shown by the other Anglo-American powers: and, although some sections of the Australian public have shown great sympathy towards the Indonesian cause, official policy has mainly taken the conservative line. On the other hand, India has all along taken her stand on the basic principles of the United Nations Charter and staunchly supported the Indonesian struggle for freedom.

## V

Let us now turn to the immigration policy of Australia, officially admitted as the 'White Australia' Policy. The question of immigration is a sore point with Australians and naturally they are on the defensive, if it is raised. In his address to the Rotary Club of Melbourne in November 1946 Mr. R.G. Casey (a former Governor of Bengal and an Australian himself) has put the situation in a nutshell as follows: 'The most important long-range consideration for Australia is undoubtedly the fact that we are 7½ million people occupying a country the size of the United States, or twice the size of India—and that there are a thousand million Oriental peoples on the Asian mainland to our north. We realize that Australia needs population and we have certain plans for immigration. Does any thinking person believe that these plans will be effective in so speeding up the rate of populating Australia that we will be able to hold Australia in the face of the growing self-consciousness of the Asiatic peoples in, say, a generation or two from now? I do not believe that quantitatively we will reach our goal on our present plans—or, indeed, quite possibly, on any plans that are economically or practically possible.'

The average Australian's attitude is as follows; We, he says, have occupied this

land first and it is ours by right of occupation; it is our country and what we propose to do with it is our business. We are not in a particular hurry to develop it; we shall take our own time and admit into our land such people as are amenable to our way of life and can live with us on amicable terms and be part of our national family. We do not propose to admit into this land those who, in our opinion, have lower standards of life, or different notions of living, or ideas of religion, or customs. We cannot make any exceptions because soon the exceptions may become the rule, and this beautiful land of ours may be overridden by the hungry millions of Asia. We realize that our next-door neighbours in Asia are having an avalanche of population growth, but we are not responsible for their failure to control their numbers and think that they should set their own house in order by controlling population growth and by developing their economic resources. At the most, we may be prepared to help the Asians in their programmes of reconstruction, but we cannot approve of any encroachment of our national rights etc.

This attitude is perfectly understandable. The fear of Australians that any concession to coloured immigrants would soon develop into a camel-in-the-tent business is no doubt justified. We may well have to agree further with the view implied in the Australian attitude that there are other parts of the world equally under-populated and unexploited. But this does not by any means exonerate Australians so far as the major issue of policy is concerned. The problem no doubt bristles with difficulties but there can be little excuse for what an eminent Australian (Mr. Frank Clune in his *The Isles of Spice*) calls the 'criminal waste of natural resources.' As things are, Australians have no hope of expanding their numbers, with falling fertility rates. Dr. Gordon L. Wood, a leading Australian economist (in an article on 'Need for a Positive Policy' in the Australian magazine *Rydge's* dated 1 February 1946) states as follows:—

The disquieting fact is that, in all countries of white population, and in most other countries with a modern industrial and political structure, net production rates have been falling for a long time. In 40 years the net reproduction rate has fallen as follows: France from 994 to 880, England and Wales from 1087 to 782, Sweden from 1058 to 802, U.S.A. from 1128 to 999, Australia from 1319 to 986 and New Zealand from 1291 to 976.

I may quote the views of this distinguished Australian to suggest that a balanced solution of the problem is possible and well worth aiming at:—

The Australian people has now to ask itself, which is the higher civilisation, that which multiplies its numbers regardless of human welfare, or that which strives for the spiritual and political freedoms. But Australians must realise the responsibilities that the policy they have chosen imposes upon them. Disparity of numbers matters less than disparity in defence. Australians see nothing that justifies the abandonment of a policy which means for them a democratic way of life with

reasonable social and political standards. Consequently they see nothing but danger in relaxing their settled policy unless and until the peoples of Asia voluntarily check reckless growth of population, and set about raising low standards of living for which they themselves are responsible. Australians would not wish to deny any of the nations any of the freedoms; but for Asiatic peoples all the freedoms begin with the necessity for raising social standards, and reducing incalculable suffering by deliberately checking their appallingly high birth and death rates. Until that happens, and until is a remote word, the Australian people must take thought for the morrow by every measure that is likely to raise the Australian rate of reproduction and the rate of admission of socially and politically literate immigrants.

From the long period point of view, there is no doubt that the vast open spaces of the world will have to be redistributed so as to relieve congestion in particular regions. It is in the interests not only of the backward peoples of Asia but of the whole world that the economic resources of all the Continents are evenly and fully exploited. From the point of view of international peace, moreover, such a policy is eminently desirable. There are certain regions in Australia, especially the North and North-western, which are suitable for tropical colonization and which, again, are mostly avoided by the Australian 'Whites'. If, as appears to be the case, Australians have largely concentrated their efforts on developing the horse-shoe line of the coasts of southern, south-western and south-eastern parts of Australia and if, further, there is no hope of increasing the numbers of Whites by either reproduction or immigration, it is reasonable to suggest that Australians should draw a line somewhere and reserve for themselves those regions in which they would like to live and prosper. After all, in modern times, frontiers are not provided by sea coasts or mountains and, in any case, no frontiers are impenetrable.

In this connexion, the following quotation from an Australian publication entitled *A Story of a Hundred Years\** may be of some interest:—

Learned geographers have furnished exhaustive estimates of the resources of the Australian States, and their relative capacities to carry large populations. In these, pride of place is given to Queensland, with New South Wales second and Western Australia third. Professor Griffith Taylor—the most conservative of all the authorities who have examined this question describes as suitable for close population 616,000 square miles out of Australia's total area of 2,970,000 square miles, and of this favoured section almost one-fourth is in Western Australia. This State is also allotted nearly one-fifth of the good pastoral country, and almost one-third of the fair to poor pastoral country. On the other hand it contains some two thirds of the unused territory. Whilst Professor Taylor seems to regard 30,000,000 as the limit of population

\* Published by the Government of Western Australia.

that Australia can comfortably carry, other scientists place the total as high as 200,000,000.

Even with the most conservative estimate it is clear that there is room in Australia for another 13 million people, if not for 43 million people. If, on the other hand, the tropical regions of Australia are demarcated for this purpose, the congestion of Asia can be relieved easily to the tune of 100 million persons.

Needless to say, it would be very unfair to Australia to be singled out for this long-period policy. From the point of view of the world, it is extremely desirable that the United Nations or some such international body should consider the re-distribution of the world's population in a more equitable and less wasteful manner. In the meantime, it would be best to focus attention on the short-period aspects of the question.

Turning to the short-period aspects, Australia may like to consider the feasibility of permitting limited immigration of selected types of immigrants from the literate and civilized sections of the Asian population. It will not be in the interests either of Asia or Australia to encourage the immigration of indentured labour. This sort of immigration has led to trouble in the past everywhere. So far as India is concerned, it has been stated by Indian politicians that Indians would not seek any immigration into Australia except on terms of complete equality and that they are not over-anxious to secure immigration itself. On the other hand, Indians, like other Asians, do consider that Australia's present policy attaches a stigma to coloured people and that it is possible to mitigate its offensiveness. Mr. R.G. Casey is right in stating that 'Relatively few Indians, for instance, want to come to Australia—only a few of the professional and merchant classes—but when they do, they do not appreciate the rigidities of official procedure, and what they regard as the humiliations to which they are now subjected.'

## VI

Finally, we come to politico-economic relations between India and Australia. Taking the political relations first it is apparent that, irrespective of whether India remains a part of the British Commonwealth or not, there is no reason why Indo-Australian relations should not be friendly and co-operative. Australia's hands are clean and her Government is modern and progressive. India would always have nothing but friendship for countries which place the dignity of mankind above material interests. In the Eastern hemisphere, moreover, India's sympathies towards the down-trodden are not likely to clash with Australia's interests, because those interests are neutral to the situation. Much good, therefore, can be achieved in the field of pan-Asian peace if the two countries co-operate.

On the other hand, in the field of economic relations, there is a still greater scope for co-operation and mutual assistance. As the growing volume of trade between the two countries clearly suggests, the economies of Australia and India are not competitive but complementary to each other. India requires food and plant and machinery for her development. On the other

hand, there are various types of raw materials and even manufactures (like cotton and jute textiles) in regard to which India can support the growing prosperity of Australia. I may conclude this section with the following eloquent words of Sir Bertram Stevens (*New Horizons*, p. 37) in this connexion:—

Our future relations with India will supply one of the crucial tests of the foresight of Australian businessmen and the statesmanship of the Australian Government. A unique opportunity is being offered to us in Australia to co-operate in India's revitalisation to the mutual benefit of both countries. Our strategic, commercial and political interests combine to dictate our full and ready acceptance of this offer.

## ECONOMIC DEVELOPMENT OF ASIA AND THE FAR EAST

By D. K. MALHOTRA

ONE striking feature of the present world situation which has been heavily underlined by recent ominous events is that an economic unrest of grave import is brewing up in many parts of Asia and the Far East. Among thoughtful students of Asian problems this causes little surprise because this region, they say, has been neglected far too long in the counsels of the world and the penalty for persistent oversight must be paid. In his Opening Address to the third session of the Economic Commission for Asia and the Far East held recently at Ootacamund, the Prime Minister of India, Pandit Jawaharlal Nehru, gave expression to the feeling, which is widely shared by millions in the East, that the Asian continent has not received the attention due to it. He also observed that in the world at present the more fortunately placed countries cannot live their lives apart because the less fortunate countries will inexorably act as a drag on them. That the significance of this vital truth has not yet been fully realized is borne out by a rapid look round the world. From the standpoint of reconstruction and development, the world may conveniently be divided into five regions; the Americas, U.S.S.R., Europe, the Middle East and Africa, and Asia and the Far East. The position broadly now is that the United States—economically the most advanced among the American states—has come out more or less unscathed and even stronger from the last war; U.S.S.R. is working hard to fulfil a Five Year Plan for the rehabilitation and development of its national economy; Europe is waiting anxiously for the arrival of the well-assured Marshall aid; the Middle East, still largely enmeshed in medieval economy is facing a great crisis in Palestine; and the region of Asia and the Far East, having shaken off many political shackles, is taking a measure of its own economic backwardness and pondering over the means of removing it. None of these five regions can be said to be free from some degree of political unrest but nowhere is the scope or the urgency of economic development greater or the offer of help by advanced countries more cautious than in Asia and the Far East. Nearly a thousand

million people in this region who have long been existing on sub-marginal level of economy patiently look forward to relief in the burdens of their daily lives. A great opportunity is thus matched by a great deprivation and the situation seems to have the elements of a human tragedy.

The pre-war position which in essentials still holds good was stated with keen discernment in the report of the Working Group for Asia and the Far East, as follows:

The prewar economic and social situation in Asia was one in which a thin veneer of industrial modernization only partially overlaid ancient pre-industrial societies. There were some modern factories, mines and plantations, some great commercial cities with impressive modern sections, some railways, roads and airfields. But the living level of the great mass of the people was still one of grinding poverty, disease and ignorance, because their production methods, those of a pre-industrial technology, were inadequate to support the burden of the dense populations on the land. A type of dual economy had grown up under which a relatively small number of individuals carried on modern commercial and industrial operations intimately linked with world markets, while the great bulk of the people eked out a bare subsistence by pre-industrial methods. The old pre-industrial economy was sick but not yet dead; the modern economy was still struggling to be born.

It is fortunate that to remedy this somewhat unpromising situation, the United Nations Economic and Social Council set up last year the Economic Commission for Asia and the Far East. The task set to the Commission is big and important and in its humanitarian aspect probably more enviable than has been set to any other internationally constituted body. By its terms of reference the Commission is called upon to initiate and participate in measures for facilitating concerted action for the economic reconstruction of Asia and the Far East, make or sponsor investigations and studies of economic and technological problems, undertake or sponsor the collection, evaluation and dissemination of economic, technological and statistical information and make recommendations on any matters within its competence directly to member governments. Within the brief one year it has functioned the Commission has made substantial progress in fulfilment of these terms. In the first two sessions of the Commission held at Shanghai and Baguio respectively the organization was given shape and the lines of work were set but it was at the third session at Ootacamund that the machinery for carrying forward its work along with several lines simultaneously was set up. The terms of reference and the work of the Commission impinge so closely upon and are in fact so much intertwined with the problems of Asian reconstruction that there is advantage in discussing these problems with reference to the activities and achievements of the Commission.

During discussions of large scale planning for economic reconstruction two lines of approach which are not wholly divergent generally emerge.

About Asia and the Far East, for instance, one line of approach may be to make a comprehensive survey covering the economies of all the countries and rendering an assessment of all the requirements. This may serve as the basis for preparing a draft economic plan for the whole region. This comprehensive, detailed and all-inclusive method is, however, so laborious and time-consuming that some prefer the alternative method of concentrating on the more urgent requirements and preparing specific projects of development. Basically it is a problem of combining a sufficiency of deliberation and forethought with the necessity of quick action and a feasible solution often is to prepare a fairly detailed outline of an economic plan, picking out at the same time the more urgent tasks for special attention and early action. The procedure adopted by the Economic Commission for Asia and the Far East seems to accord with such a solution and while the Commission has taken up for intensive study and investigation those subjects which the member governments have asked to be placed on the agenda, it is at the same time pursuing wider studies of a general character. Several study documents and reports incorporating valuable information and giving for the first time a conspectus of Asian economy in various spheres have been prepared by the Commission and more may be expected to be added with the expansion of its activities.

Six specific subjects which are receiving the Commission's attention at present are industrial development, training of technical personnel, promotion of trade, food and agriculture including agricultural requisites and cereal prices, flood control and inland transport. On the first three of these reports have been prepared by either a Working Party or the Secretariat of the Commission and on the last a study has been prepared by the Secretariat of the Transport and Communications Commission. Each report formulates at the end the conclusions of the study and makes recommendations either for further study or for the establishment of machinery for concrete action. Space does not permit the reproduction of portions of or comments on, the contents of these reports and in any case as the main purpose of these documents is to assist the deliberations of the Commission and to enable it to take decisions on specific issues rather than to serve as a permanent record it will be more helpful for knowing the latest position reached in the Commission's work to turn to the resolutions passed at the Ootacamund sessions.

Four basic facts which have to be taken into consideration in formulating a programme of *industrial development* for the ECAFE region are: (1) The general industrial backwardness of the region attributable largely to the colonial policy of industrially advanced metropolitan powers, (2) lopsided nature of even such development as has taken place, due to the meagre development of heavy industries, (3) dependence of the region on industrially advanced countries for capital goods and technical personnel required for industrial development and (4) the reluctance of countries in this region to accept foreign aid on terms and conditions which involve **interference** or domination. The resolution passed on the subject takes into **account** many of these facts. It recognizes that importation of capital goods

and basic materials is the most urgent need of the region and appeals to the more advanced industrial countries to make available an adequate share of their production of these goods. It also asks for more detailed studies by the Working Party on Industrial Development of major aspects of industrial development including fuel and power, basic materials, heavy engineering industries and transport equipment and also of the short term and long term capital needs and the extent to which they can be met from domestic and foreign sources. The resolution does not refer to safeguards against foreign domination, direct or indirect but the question is important enough and it will be desirable to ascertain the magnitude as well as the terms and conditions of the existing foreign investment.

The chief limitation in expanding *trade* as between the countries of the region is the lack of diversification in the economies of the ECAFE countries and consequently the small number of export items. There is, however, scope for promoting trade both within the region and with other parts of the world and one of the resolutions on trade promotion seeks to establish a Trade Promotion Section in the Secretariat to carry out such functions in regard to trade promotion as may be assigned to it. The Section will undertake research and investigation in trade matters and serve as a clearing house of commercial information, promote collaboration between governments represented on the Commission and advise and assist the member governments regarding the development of their trade promotion machinery. Another resolution of great significance recommends that within the limits set by the Far Eastern Commission and the Peace Settlement, when concluded, Japan's trade and industrial plans should be adjusted to the needs and requirements of the economic development of Member and Associate Member countries. This recommendation was opposed by the representatives of the U.K. and the U.S.A. because they held that it may amount to laying down a course of action for the Far Eastern Commission. In terms of two other resolutions the governments of ECAFE countries are requested to apprise one another of their import needs and export possibilities and the Secretariat is to study the desirability of adopting special financial arrangements to facilitate the trade of ECAFE countries.

As regards paucity of *trained technical personnel* which is one of the serious bottlenecks in the reconstruction plans, the Commission has resolved to pursue negotiations with specialized agencies like the I.L.O. to set up some suitable machinery for carrying out a programme for the promotion of technical training facilities within the region, the exchange of trainees both within and without the region and the use of expert assistance by governments. Until this machinery is established, a working section of the Secretariat is to be created to secure opportunities for technical training and the use of expert assistance within the countries of the region and abroad and to supply information to member governments regarding the available opportunities.

In the matter of *food and agriculture*, the resolutions passed by the Commission relate to three main subjects: inter-relationship between the Commission and the Food and Agriculture Organization, the supply of agricultural re-



quisites and the reduction of prices of essential goods. To avoid overlapping and duplication of effort and to secure greater coordination between the Commission and F.A.O., an inter-relationship arrangement between the two bodies is visualized and the F.A.O. is requested to present to the Commission at its next session a detailed factual report on the food and agricultural conditions in the countries of the ECAFE region. As regards agricultural requisites, i.e., aids to agriculture for increasing yields, rehabilitation of irrigation system, repairs of agricultural implements, agricultural credits etc., a joint Working Party of the Commission and F.A.O. is to be established to examine the requirements of the governments and advise them on action that can be taken to meet these requirements. This party is to indicate to the Industrial Development Working Party the extent to which particular industrial projects might help agricultural production. The resolution on the reduction of the prices of all essential goods was really an amendment sponsored by the Burmese delegate in opposition to the Indian resolution which with particular reference to rice appealed to producing countries and F.A.O. to explore methods of bringing down cereal prices. The discussion on the resolution revealed a cleavage of opinion between rice-producing and rice-consuming countries and the Burmese amendment which was passed is so wide in its scope that it is difficult to understand how any effective action can be taken on it.

The resolution on *inland transport* endorsing the recommendation for convening a conference of inland transport experts in order to examine the problems of rehabilitation and development of inland transport facilities and services was opposed by U.K. delegate on the ground that the industrial Development Working Party was to make a special study of such problems in relation to industry. The Commission, however, recognized that a meeting of transport experts was necessary and agreed to the endorsement.

The Commission also resolved to set up a *Bureau of Flood Control* consisting of not more than five experts to suggest joint programmes of studies and experiments relating to problems of flood control and to advise and assist governments in the establishment or improvement of national organizations dealing with flood control. The Bureau is also to depute on request experts to the national organizations for advising them in the solution of specific problems and to suggest to member countries such international assistance as may be necessary.

In short, an enlarged Working Party on Industrial Development, a Trade Promotion Section, a Working Party on agricultural requisites, a Working Section for technical personnel and a Bureau of Flood Control constitute the machinery which the Commission has brought into existence at its third session. This is an encouraging indication that from studies and investigation the commission is passing to the stage preliminary to action.

A question which is being persistently asked in some circles is: how much can be expected in the way of economic improvement from the activities of the Commission? The question is somewhat premature, for the Commission has functioned for barely one year and under conditions which are far from

favourable to rapid progress. Moreover, the Commission is not, as it were, an over-riding authority empowered to formulate plans and have them implemented on its own initiative. It has to work for and through the member countries and what it can achieve necessarily depends on the extent to which these countries assist and avail themselves of the organization which it is building up. Leading thinkers in Asia have often dreamt in the past of bringing together the Asian countries within the framework of a common organization. In this Commission we have for the first time an agency for promoting Asian cooperation in the economic matters and in so far as the need for such co-operation is deep-rooted and inevitable, it may be said of the Commission, as has been said of a Society of Nations, that if it did not exist, one would have to be created.

The Commission is, however, not free from shortcomings and limitations and to recognize them is in no way to detract from its potentialities for really beneficent work. In its composition and membership, the Commission is still far from being an exclusively or even predominantly Asian. The presence of the representatives of U.S.A., U.K., U.S.S.R., France and Netherlands on the Commission may be necessary or useful either as metropolitan countries having territories or interests in the region or as economically advanced countries in a position to advise and assist the backward countries. Often, however, it appears that their participation in its deliberations is so active and so obviously interested that the conception of an Asian Economic Parliament—which the Commission should legitimately be or aspire to be—begins to fade out and is replaced by one of a United Nations Council operating in Asia and the Far East. Apart from this, there is milieu in which the Commission functions; political unrest, conflicts of ideologies and differences of objectives and outlook among the countries of this region are limiting factors conditioning the success and practical usefulness of the Commission's work. Again, in political status, structure of internal economics, stage of industrial development reached, composition of trade and the attitude to foreign investment there are noticeable dissimilarities among countries—between, for example, India and Indo-China, Australia and Ceylon (to name only some of the countries). But taking the region as a whole and disregarding individual peculiarities, there are some fundamental similarities also overlying the differences. It is a region which is suffering from a heavy pressure of population, a low level of capital investment and an insufficient application of scientific and technological knowledge to production. It is also a region where there are in spite of abysmally low general standards of living marked contrasts of riches and poverty and glaring inequalities. These two common characteristics—the first, a technical and economic nature and the second at socio-economic and ideological level—afford ample scope for joint and cooperative action for raising the level of well-being of half the human race. Difficulties of tackling the task even at the economic and technical level are big enough; the internal resources of the region are very modest and in considering extra-regional resources, the terms and conditions on which they can be had, cannot be put out of sight. For the present the Commission is dealing with prob-

lems at this level; but the other aspect cannot be ignored and it is not at all clear how far, if at all, the Commission considers it as falling within its purview.

Immediately, however, the interest more or less centres round the ways of obtaining help from external sources to give a strong initial impulse to programmes of reconstruction. In this connexion it is pertinent to ask if the emphasis on external aid is not being overdone. In close sequence to the question: how much are the advanced countries prepared to give? comes another: how much are the Asian countries prepared to receive? Have these countries made inventories of their short-term and long-term requirements? Have they worked out specific projects in detail? The fact must be faced that the extent to which the countries are prepared to absorb to their best advantage, external aid, if it were suddenly offered, varies widely and in some countries no plans of economic development have yet been properly worked out. No application for financing projects has been submitted by any of the ECAP region countries to the International Bank for Reconstruction and Development. Assessment of internal resources and preparation of national plans and projects are the essential preliminaries to the formulation of a mutual aid programme for the whole of the region and even if no external aid on large scale is forthcoming, it will be desirable to direct efforts to achieve whatever is possible on a regional basis. The extent of achievement may be limited but will be more substantial than is often imagined.

## INDIA'S TRADE AND PAYMENTS AFTER PARTITION

By A. N. SUBRAHMANYAM

PARTITION of the economy of this sub-continent has made its internal problems international. It has divided a weak economy into two weaker parts, neither of which is spared the necessity of seeking foreign aid. The boundaries cut across the resources of the partitioned economy in a way necessitating co-operation between the two Dominions, e.g., most of the raw jute grows in Pakistan whereas almost all the machinery required for the manufacture of jute products lies in the Indian Union. But competition, not co-operation, is more likely between them. This complicates their mutual relations, and adds to international economic problems most of which continue unsolved. Besides it makes the trades and payments position of both the Dominions difficult. This paper examines the last with special reference to the Indian Union.

Partition has affected India's internal economic set-up and international economic status in several ways. Considerable parts of certain raw materials are no longer available for India: e.g., raw jute from East Bengal and raw cotton from Sind. There is some loss in fuels. 15.05 per cent of the supply of petroleum and 1.2 per cent of coal are located in Pakistan. 23.6

per cent of her food production has left India.<sup>1</sup> These losses add to the demand for imports of strategic raw materials and food. And so it happens that these losses make India's economic life in general and her industrialization in particular rather difficult. Offsetting these losses requires their increased home production and/or their increased imports. The former faces many obstacles chief of which is the distribution of land between food and non-food crops, not to mention fundamental issues like the nationalization of *zemindaris*. It is a long term solution. But the problem of filling the gaps left by partition is urgent. Its solution in the short run will have to be in terms of increases in imports.

This was the pre-partition pattern of India's trade. In 1946-47 exports were valued at Rs. 296.4 crores, re-exports at Rs. 21.3 crores and imports at Rs. 286.7 crores. The balance of trade in India's favour was Rs. 31.1 crores. But there was a net import of treasure totalling Rs. 28.9 crores, and this reduced the favourable balance to Rs. 2.2 crores.

To assess the effect of partition on this pattern it is necessary to examine trade statistics. Following is the position of private merchandise trade after partition.

AVERAGE. (Rs. in crores)

	1945	1946	January- July 1947	Aug.	Sept.	Oct.	Nov.	Dec.
Exports (including re-exports)	20.05	25.30	31.05	30.70	33.95	34.72	32.67	36.82
Imports	..	20.11	21.88	32.55	32.56	29.49	29.68	30.54
Balance	..	— .06	3.42	1.50	— 2.09	1.39	5.23	2.99
		3.42	1.50	— 2.09	1.39	5.23	2.99	6.28

These figures should be interpreted with care for (a) they exclude trade with Pakistan and (b) they relate to the trade of the Union provinces only and do not include the trade of the sub-ports of Bombay Province. The story they tell may change considerably when account is taken of State trading, especially the large-scale purchases of food made by the Government abroad. Besides the full effects of partition will not be felt for some time to come. For these reasons it is necessary to look into the past of this pattern.

India's main exports have been jute, cotton, tea, oil-seeds, hides and skins. The average export of these between 1938-39 and 1945-46 was as follows:

#### Jute

Bags	..	..	..	..	..	558.5	million
Cloth (yards)	..	..	..	..	..	1,413.4	"

#### Cotton

Twist and yarn (lbs.)	..	..	..	..	..	40.7	"
Piece goods	..	..	..	..	..	463.0	"
Oil seeds (tons)	..	..	..	..	..	634	thousand
Tea (lbs.)	..	..	..	..	..	369.5	million

<sup>1</sup> Based on the average of the years 1939-40 to 1945-46.

In 1945-46<sup>1</sup> jute accounted for 31 per cent, cotton for 20 per cent and tea for 15 per cent of exports. This pattern of exports may have to change as a result of partition for 79.3 per cent of jute, 39.4 per cent of cotton, 12.8 per cent of tea, 19.2 per cent of hides and skins and 5.65 per cent of oil seeds are located in Pakistan.<sup>2</sup> Though most of the jute is grown outside India it may figure as re-export till Pakistan secures machinery for manufacturing jute products.<sup>3</sup> Much the same will be true of cotton for a very high percentage of textile mills are situated in India.<sup>4</sup>

This splitting of major exports may suggest economies in imports. Imports may be economised either by replacement by home production or by reduction in the consumption of imports. The production of the major import—food—cannot effectively increase at least in the short run and its consumption cannot be reduced below the present level. Increased food production requires increased imports of fertilisers immediately and machinery for their manufacture in the short run. A reduction of imports of raw cotton from abroad and raw jute from Pakistan will in turn express itself in terms of reduced exports of cotton textiles and jute manufactures. Imports of oil may be curtailed and home production of oil may register increases only after India secures the machinery necessary for oil production.<sup>5</sup> Any reduction of imports can only be in minor items like textiles. Taking all these things together it may be assumed that imports cannot be reduced but may well have to be increased.

Lower import prices have the same relieving effects of increased exports. If the quantities of imports cannot be reduced it may at least be possible to get them at lower prices. This cannot be for there was already an upward trend in import prices even in pre-partition days. The index number of declared value of exports (Base: 1927-28 = 100) averaged 130.3 in 1945, 166.8 in 1946 and 200.6 in the first seven months of 1947. This tendency may not be checked because partition has weakened India's bargaining power by splitting the major exports. Any saving that can be effected by lower prices may not be in the chief imports like oils, raw cotton, machinery, yarns and fabrics. Pakistan may charge higher prices for her 'exports' to India<sup>6</sup> and may be forced to pay higher prices for imports from other sources. Prices of imports may be put at a 'notional' level between 50 and 100 per cent above the pre-partition level according to the urgency of the demand for them. Prices of food imports may approach 100 per cent above the pre-partition level.

In the final analysis, the demand for imports must be backed by the capacity to export. If India requires more imports to meet the food and other

<sup>1</sup> The break up for 1945-46 is given because details are not available for later period.

<sup>2</sup> Based on the average of three years 1943-44 to 1945-46.

<sup>3</sup> It is said that Australia has offered to supply machinery to Pakistan in exchange for raw jute and raw cotton.

<sup>4</sup> India entered into a temporary agreement with Pakistan of cotton which may be renewed by the middle of 1948.

<sup>5</sup> This is perhaps the best example of the fundamental importance of machinery imports. One of India's chief exports is oil seeds and a major import is oil. If the machinery could be secured, India could export oil and utilize oil cake as cattle feed.

<sup>6</sup> The position may improve when Pakistan starts repayment of India's loan to her.

shortages intensified by partition, she is also required to export more. The expansion of exports to match increased imports at higher prices is estimated at about 30 per cent above the pre-partition level. Even this target might have been difficult but for the relief afforded by releases from blocked sterling balances, part of which is convertible into any currency.

Higher export prices may ease the position to some extent. Like import prices, export prices too have registered rises. The index number of prices of declared values of exports (Base 1927-28=100) rose to 132.5 in 1945, 145.3 in 1946, and 186.0 during the first seven months of 1947. It was higher than the import price index in 1945 probably on account of war conditions. Normally India's export prices will be lower than her import prices. This is because of the nature of the market exports. Among India's exports mica has a market that may be called semi-monopolistic. Its chief importer is Brazil and higher mica export prices may reduce its intake, and ultimately lead to higher prices of India's raw cotton imports from Brazil. Only in agreement with Pakistan can India raise the export prices of jute manufactures; otherwise Pakistan might bring down India's export prices of jute and jute manufactures by reducing her export price of raw jute. So increases in export prices are difficult in practice.

The alternative is increase in quantities exported. Increases in the output of export industries are not likely to be repaid. They are conditioned by several circumstances:

(a) *Supply of raw materials* as in the case of jute and cotton mill industries. A serious shortage of these two raw materials might upset the pattern of India's exports. Any increase in their supply could be expected only after agreements have been negotiated with Pakistan and other exporters of raw cotton.

(b) *Availability of machinery and equipment.* Between April 1945 and December 1946 these imports totalled only Rs. 43.6 crores. An increase in these strategic imports is the only method of reducing non-food imports and conserving exchange resources.

(c) *Labour disputes.* These are a real threat because as long as the shortage of machinery persists, increases in output mean higher levels of employment. Increases in employment raise the urban demand for food and reduce the exportable quantities of manufactures by increasing their home consumption. A small increase in the home consumption of some of these manufactures will make a big difference in quantities available for export.

All these factors in the manufacturing industries rule out of court the possibility of reducing export prices with a view to beating foreigners' prices. They set a technical limit below which export prices cannot be reduced.

It is not the over-all export level but its break-up between hard currency<sup>1</sup>

<sup>1</sup> Theoretically the currency of a country with which there is a chronic balance of payments deficit. But Article 7 of the supplementary Financial Agreement between the Governments of the U.K. and India lists the hard currency area as follows:

'The territories of which reference is made in paragraph 6 of this letter are the following: The whole of the Continent of North, Central and South America and adjacent islands

and sterling areas that is of greater consequence. During the first quarter of 1948 only 30 per cent of India's exports found its way to hard currency markets. Clearly with this percentage India cannot acquire imports from the hard currency area at reasonable prices. For that she will have to divert a considerable part of her exports to hard currency countries. Such a shift is subject to practical limitations. Major exports to the U. S. are jute manufactures, gum, hides and skins, lac and tea. Again in the case of Canada the chief exports are jute manufactures, tea and carpets. Exports to Sweden, Brazil and Argentina too consist mainly of these. The export of jute manufactures depends on Pakistan for the supply of raw material, and the export of hides and skins depends on the cattle situation. The industrialization of Pakistan will make it increasingly difficult for India to sell her jute exports besides blocking raw cotton imports. The hard currency market for other exports might stiffen in the near future.

This is not a happy prospect for it is from these hard currency countries that India has to import food and food products. The food situation being what it is and what it is likely to be in the short run, India may not be able to balance her merchandise trade with them. If food imports continue from them, there will be a chronic deficit with them and India will run out of her supply of their currencies. To avoid this contingency, India might explore possibilities of exporting more to other food-exporting countries. For instance she may tackle the South-east Asian markets for textiles. In the absence of Japanese competition and with regular raw cotton supply she may negotiate barter agreements with Indonesia, Indo-China, Siam and Burma.

The necessity of importing food on a large scale at higher prices results in continued over-all deficit in merchandise trade also. Exports are likely to fall just as imports will be rising. The ratio of exports to imports is likely to fall. The exchange of exports for imports is likely to be at an increasingly disadvantageous rate. This in turn will tend to increase the current deficit.

At this stage some introductory remarks on the balance of payments may be offered. This concept has received recently an attention quite out of proportion to its usefulness. It started as an accounting device, as no more than an interesting and illuminating manner of setting out, after the event, a record of what had happened in the country's international transactions.<sup>1</sup> In the entries in the balance of payments, prices are more important than quantities. This makes the balance of payments something more than the balance of trade which records imports and exports of goods. The difference between these two balances—the so-called invisible items—is to some extent

but excluding territories which are part of the sterling area, the Dutch monetary area and the French franc area. The Belgian Monetary area. Japan. The Philippines. The Portuguese monetary area but excluding Portuguese India. Sweden. Switzerland and Liechtenstein.

Strictly speaking, the currencies of some of these areas are not 'hard' for India as she runs with some of them, e.g., Belgium, a current surplus.

<sup>1</sup> *The Economist*.

the result of accountancy and may not have any opposite numbers in the world of goods. Thus by itself a country's balance of payments does not measure the level of its prosperity. The state of a country's accounts may, as in the case of Britain, play a decisive part in its internal economic situation. Because of the tradition of living by exporting, export industries order the structure of the British economy. British balance of payments is thus a special case and cannot set the standard for judging the significance of the balance of payments. Incidentally even in the worst years of depression the U. S. had a 'favourable' balance of payments.

Little information is available about India's balance of payments. Even that cannot be cast in the form in which balances of payments are usually set out. A series of *obiter dicta* will have to take the place of statistical statements. Published official statistics permit nothing more than this.

The payments position is as follows :—

The chief import is, of course, food. In 1947-48 this is expected to cost Rs. 110 crores. Comparison of this figure with that of 1946-47—which was Rs. 85 crores—will give an idea of the effect of partition on the food situation. It may surpass this mark because the Government is building a central food reserve of 6 lakhs tons. This is as well because (i) the chief exporter of food to India is the U. S. and (ii) by 30 June 1948 India will have no further claims on the Post-War Dollar Fund. The deficit is expected to be of the order of Rs. 52 crores.<sup>1</sup>

As the currencies of the countries exporting food to India on a large scale are hard, India normally experiences their shortage. Even in 1938 the monthly deficit with U. S. averaged \$ 4.9 million. Monthly average deficit for the first quarter of 1947 was \$ 23.1 million, for the second quarter \$ 18.5 million. Partition affected this deficit thus: September 1947 \$ 24.8 million; October \$ 21.6 million; November \$ 18.8 million; and December \$ 21.3 million. With Canada it was \$ 3.75 million for the months of September and October 1947; with other hard currency countries it was Rs. 5.5 crores from April to November 1947.

Against these deficits releases from blocked sterling balances act as a set off. Under the Financial Agreement with the Government of the U. K. of 15 February 1948, India will receive £ 18 million from the blocked account of which £ 10 million will be convertible into any currency. The relief from this is not much: but it is necessary as it helps India to gain hard currencies at a rate slightly exceeding that of receipts for exports to hard currency countries. This reduces the hard currency deficit in a small degree. To that extent India can cut down imports from the U. K. and the sterling area. If the U. K. could liberalize these releases, they might help India in balancing her merchandise trade with the hard currency countries.

To India's exchange resources effective within the sterling area, the Agreement of 15 February 1948 adds £ 8 million. The unspent portion of the



working balance of £ 30 million carried forward under the Agreement may also be added to this. Out of this item a sum of £ 4 million is transferred to Pakistan as its share. This item is estimated at £ 20 million.

So for the first half of 1948 India's exchange resources besides her current earnings are: hard currency up to the limit of £ 10 million and £ 28 million for purchases in the sterling area. The relief from the latter depends on the ability of the members of the sterling area to export to India food and machinery. If they are unable to meet India's requirements in this respect India will have to draw on the hard currency releases for imports of both food and machinery. This means that she may exhaust her reserves of convertible sterling.

When this situation arises, gold may have to be sold to finance imports. Even this road is blocked for India's stock of monetary gold has remained stable at Rs. 44.42 crores. Part of this reserve goes to Pakistan. Under present market conditions and at current gold prices, replenishing this stock is a hard task. Will the Bank of England do something? Obtaining gold through the Bank of England is more a possibility than a probability, for the U. K. is not in a position to spare any part of her gold reserves and may welcome additions to it.

#### POSTSCRIPT

The recent agreement between H.M.G. and the Government of India has made some items of the balance of payments definite. The sterling balances are finally estimated at £ 800 million after making adjustments for payment for military stores and installations (£ 100 million), purchase of annuities for pensions (£ 168 million) and transfer of Pakistan's share to her. Out of this £ 200 million is to be kept as currency reserve.

Apart from clarifying the capital account, the agreement puts at India's disposal hard currency resources amounting to £ 80 million for the coming three years; of this £ 15 million will be released during the first year. This is in addition to £ 80 million which is the unspent portion of previous releases. Under agreements which H.M.G. have concluded with Switzerland, India gets the benefit of paying that country in sterling approximately to the extent of her adverse balance of payments with them during 1947. India will receive during 1948 dollar resources up to £ 3.5 million out of her surplus trade balance with Japan. All these arrangements will reduce India's hard currency requirements to some extent. But she may still have to finance part of her balance of payments deficit by borrowing from the International Monetary Fund.

## INDIANS OVERSEAS

### THE POSITION IN TRINIDAD

By C. KONDAPI

#### INTRODUCTORY

THE Caribbean region lies athwart one of the world's greatest trade routes and constitutes a most vital zone in the defence strategy of the United States. The West Indies border on the Caribbean Sea and its adjacent waters. The British West Indies fall into six groups (1) Bahamas (2) Barbados (3) Jamaica (4) Leeward Islands (5) Trinidad and Tobago and (6) Windward Islands consisting of Grenada, St. Vincent, St. Lucia and Dominica. Trinidad is one of the countries included in the executive agreement under which the United States had obtained the right to acquire 99 years' leases on air and naval bases. The late President Roosevelt announced this agreement with England on 3 September 1940 exchanging the bases for 'naval and military equipment and material.'

The Caribbean is a tropical sea and its warm waters wash the islands. The hot monsoon regions proved congenial to Indians who succeeded in speedily reclaiming and colonizing the swamps and river-bottom lands and making profitable use of them by the cultivation of rice and various kinds of vegetables. The entire region is rich in natural resources and extraordinarily productive.

Trinidad lies immediately north of the mouth of the Orinoco and administratively includes Tobago which is situated about 21 miles north-east of Trinidad. The Spaniards colonized it in the 16th century. Subsequently several French families settled in the Island. In the course of her war with Spain, Great Britain occupied it in 1797. In 1802 it was ceded to Britain under the Treaty of Amiens.

The West Indies are places of great distances. It is upwards of a thousand miles in a direct line from Jamaica to Trinidad and four hundred miles from Port-of-Spain, the capital town of Trinidad to George Town, its counterpart in British Guiana. Air routes have, of course, been developed since 1945 to fly from one colony to another but air travel is so costly that it is practically of no use to masses of the population.

The language and social atmosphere of Jamaica is English. While British Guiana had been influenced by Spanish-American culture, the Trinidadians have been the most cosmopolitan community of all, being Spanish in origin, though fundamentally French in tradition. The Indian community has made its characteristic mark.

The climate is tropical with an average rainfall of 1 to 3 inches per month in the dry season (January to May) and 7 to 10 inches per month in the rainy season. Trinidad is 1864 square miles in area and Tobago 116 square miles. The estimated population at the end of 1944 was 546,088 of whom the Indians numbered 170,396. In British Guiana they are 168,921, in Jamaica 26,507, in Surinam 37,933, and in British Honduras about 8,000.

Trinidad is the most highly industrialized of the West Indies; and yet about half the population has been directly dependent on agriculture. The number of workers employed by the entire oil industry did not greatly exceed in 1947 those employed by anyone of the larger sugar companies. Trinidad is the largest petroleum producer in the Empire, accounting for 63 per cent. of the oil produced in the Empire. Oil and processing of local agricultural products are the leading industries in the colony and there is a progressive drift of population to the towns. The oil industry is mostly manned by the West Indian labour as sugar by the East Indian<sup>1</sup> labour. There are also Indians as peasant proprietors, landlords, shop-keepers, dairymen and civil servants.

#### HISTORY OF INDIAN EMIGRATION

The emancipation of all slaves in British Guiana on 1 August 1834 led to a crisis in the sugar industry. The attempts of the sugar planters to recruit Portuguese and Maltese labour proved abortive. In 1838, 460 Indians were taken to work on the estate of John Gladstone as indentured labourers. This led to import of Indian workers to serve on several other estates too. Very soon, however, difficulties arose in regard to recruitment and in 1839 serious charges of gross ill-treatment were made. This diminished considerably indenture emigration to British Guiana and led to its subsequent suspension. In 1842, a Select Committee of the House of Commons suggested that the most desirable method of compensating for this shortage of labour was to promote the emigration of fresh labour to such an extent as to create competition for employment. In 1843 the Colonial Office wrote to the Court of Directors urging a reconsideration of the necessity for maintaining prohibition of emigration from India to the West Indies, unlike in the case of Mauritius. The latter recommended the issue for careful consideration of the Indian Government who replied explaining the difference between the position of the West Indies and that of Mauritius. They also forwarded a memorandum of the requisite preliminaries specially providing for the repatriation of the emigrants should they wish to return to India after five years. The Court of Directors suggested that about 12 per cent. of women should accompany the men emigrants and that emigration of children with their parents should be encouraged. The Indian Government passed Act XXI of 1844 authorizing indenture emigration to the West Indies. Reporting this Act to the Court of Directors, they stated that they were relying 'on the good faith of the colonial governments to accord proper treatment in the colonies and a return passage to India on the expiry of their term of industrial residence as well as due care on the return voyage.' This Act, however, contained no express provision which, in the case of Mauritius, rendered all contracts entered into before the emigrant had been forty-eight hours on the shore, null and void and barred all suits for debts contracted

<sup>1</sup> This is how the nationals of India are popularly known to distinguish them from the native West Indians of the colony.

before his arrival in the island. Under the above terms, the first batch of 200 immigrants landed in Trinidad on 31 May 1845 to work on sugar plantations. Act XXV of 1845 permitted emigration from Madras to the West Indies to begin after 31 August 1845.

Though slavery had been abolished and Indian labour imported, the colonial government failed to do its part in rebuilding the social life of the slaves and the colony. Lord Harris, the Governor, wrote in a dispatch in 1848 thus: 'As the question now stands, a race has been freed but a society has not been formed.' In 1849, Lord Grey, Secretary of State for the Colonies suggested that a local rate should be levied in Trinidad and British Guiana as a cure for a people 'so unfortunately addicted to idleness.' But Lord Harris flatly refused. In the event, demand for Indian labour increased and its value received wide recognition. In 1853 the Indian Government also allowed extension of the period qualifying for the return passage from 5 to 10 years in the case of Trinidad and British Guiana. Referring to the Indian contribution to the enrichment of the colonial economy, Governor Keate wrote in 1854 in a dispatch to Sir Edward B. Lytton, Secretary of State for the Colonies: 'The Island is mainly indebted to Indian immigrants for its progress.' The colonial authorities began to visualize Indians as a part of the permanent population of the colony. Referring to the commutation of return free passage money for land grants, the Immigration Report for 1874-5 stated: 'The Indian settlements will certainly pave the way to gradual abandonment of the return passage; the few who have accumulated money in trade will desire to revisit India while the masses remain here where they can gratify alike their passion for landholding and money making.' Though Indians had thus settled permanently, the conditions of work on the plantations remained far from happy. Under the Ordinance of 1870 absence from work without lawful excuse involved a penalty by way of conviction for seven days' imprisonment for the first offence, thirty days' for the second or subsequent offence in case of a man, and of fine not exceeding ten shillings, or in default one month's imprisonment in the case of a woman. All manner of vexatious restrictions began to be imposed. The Royal Commission of 1897 commented adversely on the housing provided for Indians who were mostly agricultural workmen. With the abolition of indenture system of Indian labour recruitment in 1916, the employer was relieved of the legal responsibilities towards his labourers which it imposed on him and the fulfilment of which it was the duty of the Protector of Immigrants to secure. Referring to this aspect Mr. Tyson states in his Memorandum to the West Indies Royal Commission in 1938: 'It is unfortunate that with the abolition of indenture, the control of the colonial government automatically relaxed. . . . But what I was not prepared for were the extent to which "plantation" labour is at the mercy of the management in the present conditions in the colony and secondly the attitude of suspicion towards the management and of fear of victimization which was evidenced by the great majority of the labourers and of the clerical and factory staff with whom I came into contact.'

## ECONOMIC AND SOCIAL CONDITIONS

The labour disturbances in oil fields and sugar estates in June 1937 led to the appointment of the Forster Commission of Inquiry by the Secretary of State for the Colonies. Referring to the underlying causes of disturbances, the Commission has said that the 'true origin of the disturbances must be traced to the more or less general sense of dissatisfaction for which there was no adequate means of articulation through recognized machinery of collective bargaining' and that 'this sense of dissatisfaction reached its culminating point when the cost of living having risen, the earnings of the working people were not adjusted with sufficient promptitude to offset its effects'. A majority of Indian workers have been engaged in the sugar industry which receives subsidy from the colonial and imperial governments. Between 1927 and 1937, the out-turn of sugar factories had doubled. During depression and consequent rationalization, says the Forster Commission, 'labour contributed its share by continuing to accept a standard of wage and living conditions far below what is desirable'. Yet when sugar industry had improved, there were only dividends to shareholders but no better living conditions for workers. Speaking for the Governor, the Colonial Secretary declared in the Legislative Council: 'I would remind the sugar industry also that the sugar industry was not subsidized in order to enable them to pay dividends to their shareholders, it was subsidized because it was the largest employer of labour... an industry has no right to pay dividends at all until it pays a fair wage to labour and gives the labourer decent conditions'. Between 1845 and 1937 wages of Indian labourers had increased only twice, a five cents increase after the inquiry of 1921 and another increase by the same amount after the disturbances in 1937, bringing the wages to 35 cents a day. Though subsequently conditions had improved with the grant of dearness allowance in 1946, there is no relation between the increase in wages and that in the cost of living. As long back as 1919, a committee reported on the economic position of the various classes of workers and recommended suitable rates of wages, but the report was shelved. Referring to the Labour (Minimum Wages) Ordinance (an enabling ordinance) passed in 1935, the Forster Commission observes: 'Upto the present no action has been taken under the provisions of the Ordinance'. The position was brought up-to-date in a revised report of 1936, but no action had been taken.

Social conditions deteriorated also on account of the official dependence on 'the civilizing influence of the plantation' as the sole factor to grapple with the appalling problems presented by such conditions. Referring to the lack of regard for the welfare of labour, the Forster Commission observes: 'In no direction is this lack of regard more apparent than in the deplorable conditions in which a large number of the labourers and their families are housed. It would be unreasonable to expect anything but discontent in such surroundings'. The Royal Commission of 1897 and the Oliver Commission of 1930 commented adversely on housing conditions, particularly of the agricultural workmen, mostly Indians. Referring to the bad barracks

'undesirable in their lack of elementary needs of decency' the same Commission has stated: 'with such an authoritative consensus of opinion on this question, it is a matter of grave comment that so many dwellings of this class exist today, particularly when regard is paid to the comparatively modest housing requirements of the Trinidad agricultural workmen'. The Commission recommended that barrack-range dwellings should cease within three years. An interesting experiment of village housing estates on the outskirts of Port-of-Spain was initiated in 1945.

The colony possesses an old age pension scheme, and a fairly comprehensive poor law service which largely relieves basic poverty. To come under the benefits of the pension scheme, a person should be above 65 years, besides being a British subject, and also must have been ordinarily resident in the colony for 20 years immediately preceding the claim for pension, provided a person shall not be deemed to have ceased to be resident in the colony merely by reason of temporary absence therefrom for an aggregate period of two years out of the qualifying period. The Milne Committee which investigated this scheme in 1937 recommended a pension of \$ 5 a month. In their memorandum to the Royal Commission in 1938, Indians urged that the qualifying age be fixed on a lower age and that a medical certificate stating the physical condition of the applicant should be the determining factor.

The colonial government had not implemented even such labour welfare legislation as was already on the statute book. In 1920 an Ordinance was passed constituting an Industrial Court for purposes of conciliation and registration of trade unions, but it remained inoperative. The Trade Union Ordinance of 1930 contained no provisions safeguarding, as the Trade Disputes Act in England does, the right of peaceful picketing or giving immunity against action in tort. The representatives of the workers had, therefore, opposed it and it had since remained practically inoperative. There were two Workmen's Compensation Acts. The Compensation for Injuries Ordinance provides for payment of compensation to workers in the case of injuries arising out of defects in machinery or negligence on the part of employer or his agent, but only if disabled for 10 days. Indians had demanded that the period of disablement which entitled one to claim compensation be reduced to 3 days. The Workmen's Compensation Act was not applicable to agricultural workers except those employed in connexion with any engine or machine worked by mechanical power. The Forster Commission recommended the application of the provisions of the Workmen's Compensation Act to all agricultural workers as the time had come for such inclusion.

Indians have been clamouring for a long time for agricultural settlement but it has been the policy of the government and planters to discourage the growth of independent peasantry. The result has been the overstocking of labour market with its inevitable concomitant of low wages and long hours. The Royal Commission of 1938 has pleaded for 'an orderly plan for settling considerable numbers of people on the land as small holders and providing them with certain forms of assistance'. Such extensive land settlement

schemes would help considerably in solving the problem of surplus population on the estates. The settlement of those now intermittently employed as independent peasant farmers would broaden the economic basis of support for the estate worker, besides relieving under-employment in towns, population of which had been swollen by workers unable to maintain themselves on land. If these schemes should be switched on not for further growing of export crops, but for food production for the local market and for growing of rice and vegetables, mixed or poultry farming, they would help Indians very much. As Mr. Tyson reported: 'There are areas in the island eminently suited to the crops which the Indian excels in growing.' Between 1927 and 1931 as many as 6,203 Indians had received only 10,934 acres of Crown land. The Wortley Committee (local departmental committee) appointed to inquire into the schemes had recommended land settlement on 25 years lease basis. In view of the inherent conflict between loyalty to land and that to the landlord, such tenant farming system in any shape or form is not likely to achieve its end. To be effective and useful, the projects should be government-controlled. The progress in land settlement would also facilitate housing programme as the labour force would have been reduced to reasonable limits. Government-controlled land settlement schemes for time-expired immigrants, neither disabled nor desirous of returning to India, would also offer a counter attraction to repatriation.

Under the law of the colony, failure to get the Hindu and Muslim religious marriages registered entailed their invalidation at law. This invalidation led to the illegitimacy of children born of such marriages and consequently intestacy played havoc with the economic structure of the Indian community. The West Indies Royal Commission suggested that such marriages should, so far as the law was concerned, be put on the same footing as other marriages, the onus of registration being placed, under penalty, on the priest performing the ceremony. Civil registration would thus be a duty of the marriage officer but not a necessary ingredient for the validity of the religious marriages. On 20 May 1945, the local Legislative Council passed a Bill according legal recognition to these marriages. The Bill does not stipulate registration but permits it, because certain Hindu sects had objected to registration. It also does not bar continued observance of Hindu and Muslim religious customs and emphasizes the advantages of legal recognition hitherto withheld to unregistered marriages. Thus a grave handicap had been removed. The local law now also recognizes divorce according to Muslim usage and this has been working satisfactorily.

Another social disability of the Hindus relates to cremation by the pyre system. The Hindu community has been demanding in vain the recognition of this religious custom for the last one century. Mr. Tyson has recommended that a beginning might be made by allowing cremation at selected sites on the sea shore near Indian centres of population. This request still remains to be conceded.

## EDUCATIONAL FACILITIES

Church-controlled Christian denominational schools are the mainstay of education in the colony. In 1937 Trinidad had only 45 Government and non-denominational schools as against 247 Church and Missionary schools. Indians, mostly Hindus and Muslims, did not like to send their children to such schools which carried on proselytizing activities. Consequently nearly 77.2 per cent. of the Indian population remained illiterate, and among the non-Christian Indians, the proportion was as high as 82.8 per cent. In 1938, nearly 25,000 Indian children attended the schools, of whom about 3,500 were in Government schools and the rest in assisted schools. Of the 25,000, the girls were 9,500. Though Indian children on primary school rolls were in the approximate proportion of their population ratio, their daily average attendance was only 60.5 per cent of the roll strength as against 74.3 per cent. for other races. Thus only 50 per cent. of the Indian children of the school-going age are in average daily attendance in schools. The compulsory attendance area of Port-of-Spain was extended in 1942 eastwards to include six more localities. As recommended by the Royal Commission, free text books had been distributed in all schools and free meals were being given to under-nourished children in Port-of-Spain and San Fernando. Facilities had also been provided to teach the Hindi language in such schools where there was an adequate number of Indian scholars.

The Mayhew-Marriot Commission of 1936 deplored the inefficiency of the denominational schools system but advocated its reform and not its replacement. In his Supplementary Report he suggested that while Christian preachers should have the right of entry into non-Christian schools for giving religious instruction, the preachers of non-Christian religions should not be accorded reciprocal rights. According to the Governor of the colony, this discriminatory recommendation 'does not appear to have been carried out in practice'. The Mayhew-Marriot Commission recorded that the teaching profession in the colony consisting almost entirely of Christians, had unanimously pleaded for government schools as against Church-controlled schools, for only they got promotions who did evangelical work besides the educational. As Christian Ministers, who controlled the schools, were not educationists, the teachers had always plumped for State control of education. There was nothing to gain by Church control of education even from the financial view-point, for the above Commission had recorded that financial contributions made by Churches towards education amounted to very little, hardly worth speaking on the whole. Besides, as the Hon. H. A. Wyndham states: 'There was, as the 1905 Commission pointed out, something anomalous in a system under which funds raised by taxation were used to support a movement to change the religion of the taxed'. Replacement of the Government-financed Christian Missionary education by secular State education and supply of free clothing and books and resident orphanages for Indian children are urgently necessary if the Indian children are to make progress in education like other children.



#### INDIAN SHARE IN ADMINISTRATION

As regards Indian share in administration Mr. Tyson had reported that the figures for membership of the Poor Relief Board, widows and orphans pension fund committees and for the permanent Civil Service 'lend considerable force to the complaint constantly made that there is differentiation against the Indians as such'. There were 9 Indian Justices of the Peace out of 230 for the whole island, and in the entire Civil Services, there were 89 Indians out of 1275 employed in all ranks. There was no Indian among the 20 superior officers, heads of departments immediately responsible for administration, Judges and Wardens. Among the 736 members on the Boards and Committees referred to above, there were only 39 Indians. One was an Indian of the ten Magistrates and Assistant Magistrates. There has been some improvement in this respect since Tyson reported.

#### IMMIGRATION AND REPATRIATION

The colonial authorities had here, as elsewhere, discriminated against the immigration of Indians into the island. Under Section 5 (1) of the Immigration (Restriction) Ordinance No. 4 of 1936, an East Indian entering Trinidad from India and unable to satisfy the Immigration Officer that he was not likely to become a public charge must deposit \$500 whilst an immigrant from one of the West Indian colonies as British Guiana had to deposit \$100 only and an immigrant from the continents of America, Europe or Africa had to deposit \$250.

Recently some Indians have been insisting upon facilities for repatriation to India. In about the middle of May 1947 the Indian Government urged the colonial authorities not to charter shipping for the purpose before they had been accorded the opportunity to examine the applications for repatriation. They pointed out that a considerable number of returned immigrants had for several years been clamouring for return to the West Indies and also that it was most inopportune for the immigrants to return to India where the conditions were unsettled due to the deepening food crisis and communal tension. It is, therefore, in their interest not to insist upon their right of repatriation to India for at least a few years more. They should direct their efforts to secure the utilization of the Repatriation Fund either for its specific statutory purpose or alternately for land settlement or educational development. In any case it should not be allowed to lapse into the colonial treasury.

#### THE POLITICAL ASPECT

Before the War, only 26,000 out of a population of 4 lakhs were enfranchised and there were only 7 elected members in a Legislative Council of 26, consisting of the Governor, 12 officials, 6 non-officials (nominated) and 7 elected members. Three of the 7 elected members were Indians. There was no Indian among the officials or the nominated members. There was also no Indian in the Executive Council. Governor Fletcher established East Indian Advisory Board to advise the colonial government on Indian affairs.

Mr. Tyson observes: 'The Board is not a popular body, either with the East Indians who consider it unrepresentative, or with the other races who resent its existence as an admission that the East Indians are a separate element in the population.' In December 1940, the colonial Governor announced the introduction of constitutional changes affecting the composition of the Legislative Council. His Majesty's Government informed India that official members would be reduced from 12 to 3 and elected members would be increased from 7 to 9. In 1941 an Order-In-Council was passed reconstructing the Legislative Council on lines recommended by the Royal Commission by the withdrawal of all official members except the Colonial Secretary, Attorney-General and the Treasurer. In 1944 the Secretary of State for the Colonies recommended the introduction of adult franchise without requiring the voter to know English, in accordance with the democratic Indian demand. But the local Legislative Council stipulated knowledge of English, thereby disfranchising a large number of Indians. The powerful European planting interests had always opposed the enfranchisement of Indian workers. The Government of India urged H.M.G. to enforce the recommendation of the Secretary of State for the Colonies.

The British Colonial Office has accepted early this year the suggestion of the Indian Government to appoint her representative for the West Indies. Accordingly Mr. Satya Charan, formerly Secretary of the Indians Overseas Department of the All-India Congress Committee, had been appointed the first Indian Commissioner for the West Indies. Several urgent problems like the demand for repatriation and the question of Federation of the British West Indies await to be tackled. It may be earnestly hoped that the diplomatic link established by the appointment between the Indian Government and our nationals about 13,000 miles away will facilitate this country in extending timely help to them.

## INDIA AND THE WORLD

### PARTICIPATION IN INTERNATIONAL CONFERENCES AND COMMITTEES

#### INTERNATIONAL CONFERENCE ON FREEDOM OF INFORMATION: GENEVA: 23 MARCH 1948

THE United Nations Conference on Freedom of Information was perhaps the largest international conference ever held. Its main task was to suggest ways of implementing the declarations of the United Nations General Assembly that 'freedom of information is a fundamental human right and is the touchstone of all freedoms to which the United Nations is consecrated' and that 'understanding and co-operation among nations are impossible without an alert mind and sound world opinion, which in turn is wholly dependent on freedom of information.' Delegations from 56 countries attended the Conference. The Indian Delegation consisted of Sir A. Ramaswami Mudaliar (Leader), Messrs S. A. Brelvi, G. S. Bhalija, P.C. Chaudhury, D. B. Desai,

Chandulal Shaw and Sir Dhiren Mitra. On 23 March 1948 Genl. Carlos P. Romulo, Leader of the Philippine delegation was elected President of the Conference with 20 votes as against 16 cast for Sir A. Ramaswami Mudaliar.

The Conference agreed that governments should permit transmission by correspondents and agencies of all information, without censorship, change or delay subject to considerations of national security. It was felt that rules regulating peace-time censorship should ensure that correspondents knew in advance the conditions of censorship and shall protect them against unnecessary delay and cost.

The Netherlands delegates proposed that an international court of honour should be established to decide whether any journalist had abused his rights. Sir A. Ramaswami Mudaliar supported the proposal and made a strong appeal to the journalists all over the world to bind themselves together in defence of the ethics of their profession and draw up a journalist's code of honour. He hoped that such an international body, created by the journalists themselves, would have the power to eliminate those who offended against the professional code.

One of the main resolutions, in the final shaping of which the Indian delegation played an important part, recommends to the governments of those countries in which media of information disseminate racial and national hatred and prejudices, to encourage, in consultation with organizations of journalists, suitable and effective non-legislative measures against such activity. The Indian delegation vigorously urged that immediate steps be taken to secure equitable distribution of available resources of newsprint and to deal with foreign exchange difficulties which constituted a formidable obstacle to the importation of machinery and equipment for newspapers in some countries. The importance of national news agencies was also emphasized by the Indian delegation. It was proposed that in those countries, where such agencies were under-developed, a foreign news agency should, though it enjoyed full freedom as regards the international transmission of news, refrain from releasing at the locality of its operation, the news concerning the country's domestic affairs. The conference expressed the view that at no time should the normal development of national news agencies be prejudiced by unfair and abnormal competition of foreign news agencies.

In the conference two opposite views were put forward on the scope and duties of journalists. But all the delegations agreed on the importance of freedom of information. The Conference passed forty-three resolutions and three conventions which dealt exhaustively with all aspects of freedom of information, including the rights, obligations and practices which should be included in the concept of such freedom.

CONFERENCE OF THE INTERNATIONAL COUNCIL OF RESEARCH:  
BORDEAUX (FRANCE): 5—10 APRIL 1948

The Conference was organized by the French Ministry of education and attended by 42 scientists from all over the world. Sir C.V.Raman was India's sole representative. The main papers which were discussed at the Conference related to the Raman effect. Dr. Raman presented papers on the scattering of light in crystals and the dynamic reflection of X-rays in crystals. The conference discussed Raman's discovery of a new method of analysing the chemical composition of substances by light rays. Delegates of many countries paid glowing tributes to the importance of this discovery. Prof. Kholbauch of Australia formally presented to the Indian scientist a volume containing fifty papers on Raman spectra. The Research work done at Bangalore was greatly appreciated by the international group of scientists.

WORLD FOOD COUNCIL MEETING: WASHINGTON: APRIL 1948

The objective of the Conference was to review the general food situation throughout the world and the decisions of several regional conferences and to discuss the ways and means of helping backward countries to increase food production by extending loans and supplying modern implements. India's representative to the conference was Mr. S.Y. Krishnaswami.

The Director-General of the F.A.O. told the Council that the world would not surmount its food problems in 1948 even with bumper harvests. Mr. Krishnaswami said: 'What was needed today were plans covering a period of years to be implemented stage by stage with immediate problems constituting the first stage of a long-term programme.' The Australian delegate supported Mr. Krishnaswami's appeal that the efforts of the F.A.O. for increasing world production should be directed along more practical channels. He also advocated a conference of Southern Hemisphere nations to exchange views and notes on agricultural problems and developments. The Indian delegate advocated multilateral agreements covering farm machinery and fertilizers.

The delegates agreed unanimously that the time had not come when the International Emergency Food Committee should be dissolved. But it was realized that the Committee's operations must be adapted to current conditions if it was to continue as an effective agency.

The F.A.O. unanimously elected Ceylon as its 57th member.

UNESCO PROGRAMME COMMISSION: PARIS: APRIL 1948

Sir S. Radhakrishnan, India's delegate, presided over the important two-day session of the Commission. The Commission reviewed the progress made by its secretariat on the execution of the programme for 1948 and commenced work on the draft programme for the next year.

The Commission had also dealt with the delicate subject of UNESCO's activities in Germany which raised a heated controversy. It decided to start with a moderate programme in Germany. As the Commission did not

get any reply from General MacArthur regarding its proposed activities in Japan, it could not take any decision on the matter.

In view of the critical world situation, it was decided that the UNESCO should concentrate its efforts only on a limited number of objectives.

U. N. SECURITY COUNCIL: NEW YORK: APRIL—JUNE 1948

The Security Council resumed the discussion on the Kashmir issue on 15 April 1948. The Chairman, Dr. Alfonso Lopez of Colombia, presented on 17 April a new draft resolution submitted jointly by Belgium, Canada, China, Colombia, the United Kingdom and the United States. The resolution increased from 3 to 5 the membership of the proposed United Nations' Commission on Kashmir. Other main provisions of the resolution were:

(i) Pakistan should use its best endeavours to secure the withdrawal of tribesmen and Pakistan nationals from Jammu and Kashmir and to prevent any further intrusion.

(ii) The Government of India should withdraw their forces progressively to the minimum strength required for the support of the civil power in the maintenance of law and order when the Commission was satisfied that the tribesmen were withdrawing and the arrangements to cessation of fighting had become effective.

(iii) The Secretary-General of the United Nations would appoint the Plebiscite Administrator who would act as an officer of the Kashmir State.

(iv) The State Police and forces should be held in areas to be agreed upon with the Plebiscite Administrator.

(v) If the local forces were found to be inadequate, the Plebiscite Administrator should arrange for the use of additional forces of either Dominion.

(vi) The Government of Kashmir is to be broad-based so as to give representation to all sections of public opinion in the State.

Mr. Gopalaswami Ayyangar, the leader of the Indian delegation, stated that India was not in a position to agree to the resolution. He complained that scant consideration had been given to the issue on which India invoked the jurisdiction of the Security Council—the continued fighting in Kashmir. Mr. Ayyangar referred to the persistent and continuing breach of international obligation which Pakistan had committed and he made it perfectly clear that even after fighting had ceased India could not withdraw her forces because Kashmir's accession to India and India's obligation for the defence of the State would continue until the outcome of the plebiscite was known. Referring to the reorganization of the Government Mr. Ayyangar pointed out that such coalition governments would work mischief if they were brought into existence at a time when the major political issue before the country was one on which the groups differed violently. This resolution gave the Plebiscite Administrator the right to communicate with the Pakistan Government. The Administrator was expected to act as officer of the Kashmir State. It was, therefore, contrary, the Indian delegate pointed out, to all

ideals of administrative propriety to allow him to communicate with any outside government.

The Security Council resumed the discussion on 4 May. Mr. Vellodi, Deputy Leader of the Indian delegation, conveyed to the Security Council the Government of India's inability to implement those parts of the resolution against which their objections were clearly stated by their delegation and fully endorsed subsequently by the Government of India. He, however, stated that if the Council should still decide to send out the Commission referred to in the preamble of the resolution, the Government of India would be glad to confer with it.

During the discussion Mr. Vellodi urged the President, M.R. Parodi of France, that further consideration of the various other matters raised by the letter of the Pakistan Foreign Minister dated 15 January be postponed.

As regards the non-implementation of agreements, financial and otherwise, he pointed out that these were purely domestic issues and in no way constituted a threat to international peace and security. Referring to Junagadh, Mr. Vellodi drew attention to the very important statement of the leader of the Pakistan delegation that another plebiscite might bring the same result as the first one. He, therefore, asked the Security Council whether it must take the trouble and expense of another plebiscite. Mr. Vellodi then dealt with the issue described by the Pakistan delegation as 'genocide'. The very fact that forty million Muslims are still living peacefully in India and thousands of Muslims are leaving Pakistan and coming over to India shows, he added, that there was no deliberate plan to exterminate the Muslims. What had happened in India and Pakistan was not due to 'genocide' but communal frenzy.

The Council appointed a Commission consisting of the representatives of Colombia, Belgium, Czechoslovakia, Argentine and the U. S. A. The Security Council's resolution dated 3 June had also directed the Commission to study and report to the Council when it considered appropriate, on the other questions namely Junagadh, genocide and non-implementation of agreements between India and Pakistan.

On 5 May 1948 Pandit Nehru protested against the enlargement of the scope of the Commission and made it clear that the Government of India would not acquiesce in it. In his letter to the President of the Security Council he stated: "There can be no question of the Commission proceeding to implement the resolution on Kashmir until the objections raised by the Government of India have been satisfactorily met. If the Commission is to visit India, the Government would like to know in advance the point or points on which it would like to confer with the Government of India'.

The President of the Security Council in his reply to Pandit Nehru has stated that the Council "has taken no decision on the merits of the matters raised in the letter of the Foreign Minister of Pakistan dated 15 January 1948 and maintains an open mind on these questions. The resolution of 3 June only instructs the Commission to gather further information when it deems appropriate." The message of Pandit Nehru has been forwarded to the Com-

mission and they have been asked to communicate directly to the government of India as regards advance information on the points on which the Commission wish to confer with them.

## DELEGATIONS AND MISSIONS

### THE BURMESE DELEGATION TO INDIA: 20 APRIL 1948

The Burmese delegation, headed by U Ba Saing, came to India and held preliminary discussions on the Indian immigration problem with the officials of the Ministry of External Affairs and Commonwealth Relations. Dr. M. A. Rauf, Indian Ambassador in Burma also attended the meetings. Certain tentative conclusions had been arrived at as a result of these discussions which would be placed before their respective Governments. The discussions were confined to matters relating to the entry and re-entry of Indians into Burma.

### S. C. A. P. DELEGATION: 27 APRIL 1948

A Japanese Trade Mission, led by Mr. W. R. Eaton, reached India on 27 April and toured for six weeks. The Government of India were able to make available to the Mission 85,000 bales of cotton. They took a list of India's requirements of capital goods and machinery which Japan could supply and also the list of raw materials which India could export to Japan. Japan is in a position to supply to India cotton spinning and weaving and silk weaving machinery. She requires in exchange cotton, jute, mica, coir and bones. The Mission also discussed with the shippers in Calcutta the method of exporting 14,000 tons of raw jute allotted by India to Japan.

### INDIAN PRESS DELEGATION TO U. K: 16 MAY 1948

An Indian Press Delegation left India on May 16 for London to negotiate with the Managing Board of *Reuters* with a view to take over the *Associated Press of India* and *Reuters* news agency in India and organize an Indian national news service. The delegation included K. Srinivasan (Leader) C. R. Srinivasan, Devadas Gandhi, Ramnath Goenka and S. Sadanand.

### STERLING BALANCES DELEGATION TO THE UNITED KINGDOM: 27 MAY 1948

The Indian Delegation consisted among others, Sir R. K. Shanmukham Chetty, Finance Minister of India (Leader), Sir C. D. Deshmukh, Sir V. T. Krishnamachari, T. T. Krishnamachari and Sir Purshottamdas Thakurdas.

The sterling balances accumulated during the war when the Indian sub-continent became the greatest supply base for the Allies. The British Government could have raised loans in India and paid for them in the ordinary way. Instead they chose to deposit sterling in London while the Reserve Bank of India issued currency which immediately went into circulation. Therefore, the sterling balances were not a war debt but money which the Reserve Bank of India, which was an independent shareholders institution, had deposited in the Bank of England in the course of ordinary banking business.

At the end of the war the Indian Government took over the entire military

stores and installations which the British Government had built up in the sub-continent. The price has not been fixed and the present delegation's first task is to decide in consultation with the treasury, War Office and other British Government Departments what that ought to be. This will reduce sterling balances, which are estimated to amount to £ 1200 million. A further debit item is £ 8, 000,000 which the Government of India has to remit for the payment of pensions to British Civil, Military, Naval and Air Force Officers who have retired. After a few minor items have been disposed of, the delegation is to tackle the question of what can be done with the remaining funds.

### ASSOCIATIONS IN FOREIGN COUNTRIES INTERESTED IN INDIA

#### THE ROYAL INDIA SOCIETY OF ART AND LETTERS: LONDON

In 1910 the Indian Society of Art and Letters was founded by a small body of scholars, artists and men of letters. The object of the Society is to promote in the West and in India a better appreciation and understanding of the culture of India, both past and present, mainly from the point of view of Arts. The work accomplished by the Society was officially recognized in 1944 by the grant of the title 'Royal'. The Society arranges lectures by leading British, Indian or Continental authorities. They are followed by discussions. The proceedings, together with additional Articles from the Society's correspondents and book reviews are published in the journal *Indian Art and Letters*. The Society maintains contact with the Archaeological Survey of India and accounts of the latest discoveries are included in the journal. 'Other activities of the Society include the holding of exhibitions, organised visits to both public and private collections, and the formation of groups of members to study special aspects of India's varied artistic achievement.'

The annual subscription is £ 1. 11 s. 6 d. and the life subscription is £ 12. 12s. 6d.

The Honorary Secretary of the Association is Mr. Frederick Richter.

The address of the Association is 3, Victoria Street, London, S. W 1.

### INTERNATIONAL COMMITMENTS OF INDIA

#### INDO-SWEDISH AIR TRANSPORT AGREEMENT: 21 MAY 1948

A bilateral Air Transport Agreement between the Government of India and Sweden was signed in New Delhi on 21 May 1948. The Agreement mainly follows the pattern of the agreements concluded in the past with the Governments of the U. S. A., the Netherlands and France. The conditions under which the scheduled air services of each country are to be operated between the territories of India and Sweden are defined in the agreement. When similar agreements are concluded between India and Norway and Denmark, the Swedish Government will be in a position to designate the Scandinavian airline system as the air line to operate on the route to and across India.



## REVIEWS AND NOTICES

## INTERNATIONAL AFFAIRS

ASIAN RELATIONS. (Delhi: Asian Relations Organization, 1948, Rs. 15.)

THE Asian Relations Conference held in New Delhi in March—April, 1947, stands as a landmark in the history of Asia. Much has already appeared in the Press about its political, economic and cultural achievements, but its real influence in world affairs remains yet to be fully appreciated. Being the first attempt at welding together the heterogeneous constituents of this vast continent into one body of organization, working for the greatest good of the greatest number of Asians, it naturally involved problems, difficult and complex. The present work will, however, show how deftly the members of the Conference have attempted to disentangle the Gordian knots. Asians and friends of Asia, all over the globe, who could not attend the Conference will no doubt welcome the publication of its proceedings and documentation.

The Asian Relations Organization deserves our felicitations for bringing out the book in fine art paper and possessing a very presentable get up in these days of world-wide scarcity of the requisite materials.

A. MOTAMEDY

THE BRITISH COMMONWEALTH AND WORLD SOCIETY. Edited By Richard Frost. (London; Oxford University Press, 1947, 15sh.)

THE third unofficial conference on British Commonwealth relations held in February and March 1945 in London had for its main themes two subjects—how each member of the Commonwealth may best contribute first, to world security and betterment and second, to mutually advantageous cooperation among themselves. This agenda reflects the changes in the world situation since the previous conferences. At the first which was held in 1933 there was wide-spread confidence in the effectiveness of the system of collective security as understood then. The second met in 1938 when the League of Nations was tottering and the discussions were negative in character and lacking in a constructive approach. On the side of internal relations among the members of Commonwealth, the battle for equality—which loomed large at the previous Conferences—had been completely won by 1945 and the emphasis was on improving methods of consultation on foreign policy and allied issues.

The first part of the book contains a summary of the preparatory papers and the second a record of the discussions arranged under the main heads:—Defence and Foreign Policy, Economic Policy, Race and Migration, World Organization etc. Under each section the report brings out the differences in outlook among individual members of the Commonwealth 'determined in each case by the whole cast of national life and interplay of history and geography.' The special problems of each Dominion are explained and

the different points of view that emerged are set out objectively. It was not intended that the conference should arrive at any clear-cut decisions; the aim was to afford a forum for interchange of ideas.

It is not possible in this review to refer even in the most general way to the problems discussed and the views expressed. The most interesting section of the book is that devoted to Defence and Foreign Policy. As was to be expected, the discussions showed a variety of shades of opinion between federation on one side and on the other a loose connecting link based only on faith in the democratic way of life and devotion to the cause of world peace. There were divergences of views on whether the Commonwealth could be made the basis of an effective regional system of defence. The need, however, for understanding and cooperation with the U.S.A. was appreciated. The Dumbarton Oaks proposals received general endorsement: the Charter meeting at San Francisco took place after the Conference had terminated.

The Conference devoted much time to the machinery of consultation within the Commonwealth in which a great advance had taken place since 1938. 'There has been a tremendous increase in the number and range of methods and agencies which are now inside.' Doubts were expressed whether at the Dominions' end proper use was made of the information sent from London, the main reason being that the External Affairs Departments of the Dominions are not as highly developed or experienced. The controversy that arose out of Lord Halifax's Toronto speech of January 1944 was referred to and opinion among the delegations was in favour of the development of existing institutions for consultation rather than of changing the machinery. There is, no doubt, however, that world events since 1945, especially the discovery of atomic energy, are calling for a re-examination of the central problem of the Commonwealth—viz., the means of 'reconciling the freedom of parts and the united action of the whole.' The issues involved are brought out in the article 'Two views of Empire' in *The Round Table* for March 1948. In the same issue, the case for an organic union—on federal lines—is argued under the heading 'Untempered Mortar' and this is followed by a reply in an article entitled 'Britain's Rôle in the World Today.' It is also inevitable that the ultimate shape of the Western Union proposals should affect the basic conceptions on Commonwealth relations.

In the meantime, the report under review can be profitably studied by all those in India who are interested in world affairs. Particularly the views expressed by Dominions delegates on India's position in the Commonwealth and on aspects of India's defence problems, and the status of Indians in South Africa should be found interesting. It would, however, be useful to remember, in an assessment of the views expressed, that conditions have changed so much since February 1945 and that conceptions in regard to relations among the Commonwealth countries are bound to undergo radical change in the near future.

THE PATTERN OF PACIFIC SECURITY. (London: Royal Institute of International Affairs, 1946, 2s. 6d. net)

This painstaking report dates from 1945 and was in any case love's labour lost. A distinguished study group, under the chairmanship of Sir Frederick Whyte laboriously considered the vast Pacific Ocean as a separate regional problem, and produced a mixture of platitude and conjecture, with lucid deviations which show clearly that these wise people were often conscious that they were wasting their time. Their first conclusion is the weighty discovery 'that the Pacific, judged as a region, is *sui generis*, being distinctly oceanic in character, the countries of the land fringe which surrounds it having usually a character and outlook which are not purely Pacific, but link them closely or loosely to the other parts of the world.' Here the phrase 'not purely Pacific' can have no meaning except 'not purely oceanic',—whatever that may mean. Are we to suppose that there is some Atlantic character uniting Spain and Canada, or that the bond that unites Portugal and Brazil is oceanic, and not one of blood and language?

With justified misgivings the group postulates the possibility of evolving a regional authority or order for the Pacific, not at first superimposed on the existing sovereign States but relying on their pledged support, and eventually to have its own political, judicial, and economic organs, and 'a defence organ capable of instant action to hold in check any threat to the general security.' Who is to be defended against whom, and the future attitudes of the Soviet, China and Japan are questions the Group found itself unable to answer. In so far as the whole has any meaning it seems to suggest the possibility of an alliance between Britain, the U.S.A., Holland, India, Australia and New Zealand. Indonesia is not separately considered but is treated as part of 'colonial South-east Asia,' and in the opinion of the group the Netherlands East Indies 'are fast bound with the Netherlands.'

ARTHUR MOORE

NEW CYCLE IN ASIA. By Harold Isaacs. (New York: The Macmillan Company, 1947, \$ 3).

Of late a *furor scribendi* is noticeable in the United States to portray both subjectively and objectively the new freedom that has come to many oriental countries. In most cases such portrayals reflect the American perspective and sensibility. The book under review is essentially meant for American consumption, and so an inarticulate refrain of what can be called 'Yankee political yodel' is discernible in the selection of documents and in the construction of notes accompanying them. The author virtually dismisses in a few lines the Soviet-American rivalry, but bluntly invites attention to the Soviet design on Manchuria. He does not give a brief *résumé* of the long standing American 'ambition' in Manchuria. Moreover, he omits to mention that Japan in 1904-5 fought America's battle against Russia in Manchuria on American loans. The success of the forces of nationalism in India, Burma, Indonesia and Indo-China, i. e., in Viet-Nam has been com-

pactly dealt with to reveal how such old-line colonial powers as Britain, France and the Netherlands have been forced to reconcile themselves with the new freedom urge of South-eastern Asia. Strangely enough, the author does not include any document to provide a coherent picture of the struggle of the Filipinos to end the American rule in the Philippines. The author's 350-word note attached to the proclamation of Philippine Independence is too sketchy and Americanophile.

The way the documents have been selected and arranged to present to the view the new cycle of freedom in Asia gives the impression that, while the author had treated sympathetically the nationalist aspirations of India, Burma, Indonesia and Viet-Nam, he has, however, dealt with the Far East in a manner palatable to the world-political taste of the United States. Consequently, if one were to believe in simon-pure objectivity one finds in his treatment of Japan, China, Korea and the Philippines an insipid mixture of *Dichtung und Wahrheit*. He has made no attempt to disclose to what extent both America and China are responsible for the outbreak of the Pacific war. This omission is regrettable, for any international objective writer in dealing with any controversial international issue invariably presents both sides of the case in as factual a manner as possible. The motto of an international objective writer is: *Zum Lieben gehören immer zwei*.

For proper examination the book can be divided into two parts—one dealing with the Far East and the other South-eastern Asia. Documents incorporated in the second part objectively depict the rise of new nationalism in India, Burma, Indonesia and Indo-China, though local experts may feel that more documents relative to the contributions of nationalism should have been inserted. In the second part at least a few Japanese documents should have been included to give prominence to absolute impartiality. The author remarks that Japan had wanted to become 'master of Asia'. Yet he recognizes that Japan by waging war did succeed in making it impossible for the colonial régimes in South-eastern Asia in the old forms ever to be reestablished. Is not that recognition an admission of Japan's contribution to what length one may criticize Japan for her imperialistic designs?

To refer to the defeat of Japan the author has included only the Potsdam Declaration defining the Allied terms of Japanese surrender, the Instrument of Japanese Surrender and the U. S. initial post-surrender policy for Japan. For the sake of fairness he should have at least included the War Termination Rescript issued by the Japanese Emperor. Then again in dealing with China the author lays stress on the Sino-American Treaty for the relinquishment of extra-territorial and concessional rights in China. In this case, too, he should have included the Sino-Japanese Treaty whereunder Japan gave up her similar rights in China, though the treaty, as America would have it, was signed with the 'puppet Wang Administration.' Furthermore, he should have written a special note on the secret Yalta Agreement which propelled the conclusion of the Sino-Soviet Pact of Friendship and Alliance in order to make it clear that President Roosevelt and Prime Minister Churchill had forced Generalissimo Chiang Kai-Shek to consent to the restoration of

Russia's pre-1904-5 special interests in Manchuria with the object of securing Soviet participation in the war against Japan. In regard to the Philippines the author ought to have included the American Philippine Agreement of 14 March 1946, granting America the privilege of maintaining military bases in the islands, and also the American-Philippine Military Alliance Pact of 24 March 1946, permitting the United States, 'without exacting a single obligation on the part of the Philippines', to aid and assist the national defence forces of the Philippines.

On the whole the book is fairly objective and the documents included in it are helpful as reference material to the ordinary students of oriental politics. The Institute of Pacific Relations, which has sponsored the publication of the volume, would do well to undertake in the future much more thorough investigation of oriental affairs, so that it can really play a valuable academic part in the presentation of the cross-section and cross-currents of oriental politics and international relationship. The time has certainly come for it to march forward *à pas de géant*.

AMAR LAHIRI

**TANGANYIKA TERRITORY: A study of Economic Policy under Mandates.** By Charlotte Leubuscher. Issued under the auspices of the Royal Institute of International Affairs (London: Oxford University Press, 1944. 18sh.)

This volume, which is a compilation of documents pertaining to the administration of Tanganyika, traces the development of colonial policy with particular reference to the Mandates system established under the Treaty of Versailles by which the former German Colonies in tropical Africa have been ruled. The fundamental principle of the Mandates is native trusteeship. It demands an economic system opening to Africans a wider range of occupations and activities than is available to them at present. In the words of Lord Lugard it is 'the latest expression of the conscience of Europe in regard to people not yet able to stand by themselves.' The main problem for colonial policy apart from questions of finance and taxation, concerns the method of obtaining labour and the treatment of natives working at or in connexion with mines, which 'of necessity is the domain of European capital and management.'

A reference is also made to the Belgian mandate over Ruanda-Urundi. It is interesting to note that at the Peace Conference, the Belgian claim emphasized the fact that this area consisted of highlands devoted to the raising of cattle and suitable for white settlement which the Congo lacked. It will not be out of place to mention here that Indian wives of Indian residents in Ruanda-Urundi who cannot speak French are not allowed to join their husbands.

The author has criticised the manner in which the customs unions between Tanganyika on the one hand and Kenya and Uganda on the other had operated and is of the opinion that a removal of customs barriers will be beneficial to the territories concerned.

There is but a brief reference to the Asian communities, particularly the Indians, and the part they have played in the development of the country. At the end of 1938, the Asian population was estimated at 33,784. It is also stated that the outstanding feature of the post-war period is the increase in the Indian community, and that among the Asians 'Indians alone constitute a factor of political and economic importance in the country.' No figures of European immigration grouped according to nationalities are available. The author is unable to understand this 'deplorable lack of information.' But to us it is abundantly clear that where the question of African and Asian *versus* European arises, such classification is not at all necessary.

The hypocrisy of native trusteeship has been fully exploded and the sooner the European nations ceased talking about it the better for the native races. South Africans and the Belgians have forfeited their rights to any such positions of trust. Under the article of B Mandates in Tanganyika the British authorities are precluded from discriminating against the nationals of the members of the League of Nations. But since the establishment of the Mandate a number of discriminatory laws against Indians have been promulgated. In 1932 the Indian community in Tanganyika placed their grievances before a session of the Permanent Mandates Commission in Geneva. Regarding their complaint about inadequate educational facilities, Mr. Partridge, representing the United Kingdom, said; 'It would certainly be possible to give them greater facilities for education, but that would involve additional expenditure which could not be contemplated at the present time'. Finally the Indian case was dismissed by the remark that 'the Indian community has no real grounds for complaint'.

Summing up the main results of twenty years mandatory administration the author says: 'It may be maintained that in fundamental issues the administration of Tanganyika has fulfilled the main requirements of native trusteeship'.

S. A. WAIZ

POLITICAL THOUGHT IN ENGLAND. 1848—1914. By Sir Ernest Barker. (London: Oxford University Press, Second Edition, 1947, 5 sh.)

The period between 1848 and 1914 was a most active and vigorous one in the history of English political thought. It witnessed the movement of this thought in a variety of directions under the influence of numerous factors, some domestic and others foreign. Among these factors should be specially mentioned the developments in other branches of human knowledge which produced their repercussions on those who thought and wrote on the nature of the State and its place in society. It was the age when the biological sciences with their theories of evolution, of the struggle for existence and of the survival of the fittest were growing in importance. The sciences of Comparative Jurisprudence, Anthropology and Psychology were being actively pursued. Among the influences from abroad were German Idealism as developed specially by Hegel and the theories of group personality also developed by the Germans. All these had their effects on the

growth of English political thought. Those who like Bosanquet, Bradley and to some extent Green exalted the authority of the State did it to a great extent as a result of their coming under the influence of German idealism. Spencer's advocacy of *laissez faire* was based on the biological theories of the time. The attack on the classical theory of Sovereignty which was a prominent feature of English political thought of the period was inspired in the case of Jurists like Sir Henry Maine by their study of comparative jurisprudence from the historical standpoint and in the case of pluralists like Dr. Figgis and Laski by the theories of group personality. Writers like Bagehot, McDougall and Graham Wallas made use of the theories of Psychology—individual and social to explain the nature of group action and the shortcomings of democracy in its actual working. It was psychology that induced them and several others to attack the earlier doctrine that regarded man as essentially rational and reveal the irrational and the emotional elements in him. It is during this period that the characteristic features of British Socialism which differs so very much from Marxism and its theory of class struggle were developed especially by writers like the Webbs and other Fabians. The period also saw the reaction which the growing interdependence of the world and the needs of international order and peace brought about in the doctrine of national sovereignty—a reaction best shown in the writings of Norman Angell. It is not an easy task to compress within the pages of a small book all these different lines along which English political thought moved during the period 1848 to 1914 and also to explain why the movement took the direction which it actually took. Sir Ernest Barker, however, is a seasoned expert and he has succeeded in accomplishing this task in a most commendable manner. For those who wish to have an idea of the richness as well as the variety of English political thought in this period no other book serves as an introduction so admirably as this book.

M. VENKATARAMAIA

THE SOVIET OCCUPATION OF POLAND. By F. E. (Bombay: Published by the Indo-Polish Society and distributed by Padma Publications Ltd. As. 12)

The most unfortunate country in Europe for some centuries now is the great country of Poland, for the simple reason that it has been partitioned more than twice during the last one and a half century and suppressed in such a way that the lines of Tennyson come to the memory of every student of Polish history. Tennyson wrote these pathetic lines when Poland was partitioned during the eighties of the eighteenth century twice by Russia, Prussia and Austria: 'How long O, God shall men be ridden and trampled down by the last and least of men! The heart of Poland is sick.' The heart of any country which has been partitioned twice within a period of three years would become really sick. But after the termination of the First World War, Poland got back her health as a nation under the leadership of Marshal Pilduski and became a great nation again. But the advent of Hitler and

Stalin to power in Germany and Russia respectively had again ruined the chances of Poland being a free country, and the way the Soviet occupation of this buffer country between Germany and Russia has emaciated her people is told in this pamphlet in a graphic manner. A country with an area of 3 lakhs square miles and a population of 3 crores with great natural fertility which has given timber, oil, and agriculture and textile industry to the country Poland has had to face two enemies during the long course of her chequered history. The German armies marched into Poland on 1 September 1939 and the Russians to counteract the invasion of the country by Germany, occupied the eastern part of the country and suppressed it in such a way that the future historian has to announce the verdict whether Russia is an imperialist power or not during the course of the twentieth century.

The Russian occupation of Poland resulted in the suppression of one-third of the population of the country and occupation of half her territory. How the Soviets occupied the country by force on the pretext of safeguarding their freedom, plundered the country with great cunning, made the women work hard like beasts, exterminated the peasants, had the wholesale transfer of people to unknown lands in the Soviet Union, and suppressed the Polish language and culture have been told with force in this pamphlet of forty pages. The 'moral torture of Bolshevik rule' which has sapped the life of the people is well described by the author who has a soft corner for the people of Poland who braved all the hardships of oppression perpetrated by the Soviets on this unfortunate country. The Soviet occupation of Poland will go down in history as one of the crudest régimes that have come into existence during the last few decades of world history. The pamphlet is intensely interesting and readable.

AMERICA ON POLAND. By Hon. Alwin E.O. Konski. (Bombay: The Indo-Polish Library, Re. 1/4)

This is a speech made by Mr. Konski in the House of Representatives of the United States on the condition of Poland during the occupation of the country by Soviet Russia. The aim of Soviet occupation has been described as to occupy Polish territory upto the so-called Curzon Line and to have a Government in Poland friendly to the Soviet Union. For achieving these two objectives the Soviets occupied Poland on the pretext of security to her frontiers and established such a terror régime there that the régimes of Hitler and Mussolini would pale into insignificance. The partition of Poland has been condemned by Thomas Jefferson as a 'crime', and President Wilson dubbed it as 'one of the greatest crimes of history.' Lenin has expressed himself strongly about the 'inalienable right of the Polish nation to independence and unity.' But, it is a great pity that in spite of all these assertions, the Polish nation suffered yet another tragedy in the forties of the twentieth century. Mr. Konski's speech published as a pamphlet is forthright, and it pleads for succour to an ally that sacrificed her freedom for the sake of a



free world. The pamphlet is full of facts and figures which are very valuable for all students of Polish history of recent times.

LANKA SATHYAM

### OTHER BOOKS

**MASTERS OF POLITICAL THOUGHT Vol. II.** By W.T. Jones. Edited By E.M. Sait. (London: George G. Harrap, 1947, Rs. 10/6).

This is a text book of political theory cast in a rather different form from the usual college text books. It is the second in a series of three volumes under the general editorship of Professor E.M.Sait. The aim of the series is to present to the student the greatest writers on politics by connected and extensive extracts from their writings with a minimum of interpretative comment. The method has the merit of giving the student a first hand knowledge of some of the masters of political thought and of focussing attention on the essentials of their thought.

The present volume by Dr. Jones deals with eight writers beginning with Machiavelli and ending with Bentham. With the former emerges the modern State and with the latter we enter the democratic age. The period thus possesses a certain unity. The problems with which the writers deal have also a current interest. The quotations have been admirably chosen and woven together with skill. The reader gets a comprehensive idea of the work of the writer. This volume by Dr. Jones is a most competent guide to the appreciation of some of the greatest masters of political thought.

**INDIAN ADMINISTRATION.** By M.R.Palande, (London: Oxford University Press, 1947, Rs. 6/8)

This is a new edition of a popular text book on Indian administration. A new introduction sums up the developments of the last five years from the Cripps Offer to the passing of the Indian Independence Act. The book retains all its useful features including a summary of the more important enactments relating to Indian administration.

N. SRINIVASAN

**THE PUNJAB PEASANT IN PROSPERITY AND DEBT.** By Sir Malcolm Darling. (London: Oxford University Press, Fourth Edition, 1947, Rs. 15)

A study of the fourth edition of this well-known book—one of Sir Malcolm Darling's famous trilogy on rural conditions in the Punjab—is bound to have a certain melancholy interest for those who have read the earlier editions. The Punjab, of whom Sir Malcolm wrote, (and writes in this edition, too) belongs after partition to the past and the Punjab peasant whose problems he studies with a sympathetic insight has once again been a martyr of history. In fact so much has happened since 1932, when the third edition of this book was published, that an extensive supplement or a sequel rather than a short introduction, which alone has been added to the present edition, is needed to bring the treatment up-to-date. Three developments of a far-reaching

character impinging on the Punjab peasant's indebtedness and prosperity have occurred during this period of fifteen years. First, the Unionist Ministry in the Punjab had several important laws passed during 1934-39 dealing with such matters as conciliation of debts, restitution of mortgaged lands and licensing of money-lenders. Second, the large and rapid rise in agricultural prices during the war led to large-scale repayment of debts and redemption of mortgaged lands. Third, the communal disorders accompanying partition during August-September 1947 uprooted nearly four million peasants from their ancestral lands and homes and created immense problems of resettlement and rehabilitation. If, therefore, Sir Malcolm were to rewrite the book he would find that the basic data and the conditions of the problem have changed almost radically.

The problem itself, however, remains. Its fundamentals are not altered so long as the peasant holdings are small and fragmented yielding small incomes and so long as the expenditure is dictated by social necessity. Indebtedness is not, however, a consequence of poverty only; it may equally be the result of prosperity. The enunciation of the close relationship between prosperity and debt is one of the main contributions made by this book to the analysis of the problem of rural indebtedness. As Sir Malcolm has pointed out, the peasant in conditions of prosperity has an irresistible urge to borrow to the limit of his capacity and spend recklessly—unless, of course, he is trained into habits of thrift and saving. The notable conclusion which he establishes after a careful study of the Punjab peasant in different regions and particularly in the rich canal colonies is that while the existence of debt is due to poverty, its volume is due to prosperity and the link between the two is the money-lender.

The conclusions emerging from the study of the Punjab peasant have a wider application. As the Introduction clearly brings out, there is a striking similarity in respect of the problems of the peasant and the operations of the money-lender in the South-east Asian region stretching from India to French Indo-China. In explaining this similarity, however, Sir Malcolm stresses many factors except the one which appears to be basic. He draws pointed attention to rapid increase in numbers, enervating climate and the religious mould of life of the people and these have, no doubt, contributed in their own way to the peasant's backwardness. But he makes almost no reference to the colonial rule which has spelled for the most of these countries ~~static~~, if not stagnant, economics. When the release from the colonial stranglehold is complete—some vestiges of it still remain—and the countries plan and organize their resources, it will be interesting to observe whether slackness arises from climate or from political dependence and insufficient nutritive diet; whether the increase in numbers presents such a serious problem under conditions of rapid industrialization and improving technique of agricultural production and whether the social and religious moulds are really so hard as to resist forces making for a rise in the standard of living.

**SCIENCE AND THE SOCIAL ORDER.** By Cecil H. Desch, F.R.S.  
(London: Looking Forward Pamphlets, 1946, 1sh.)

In this pamphlet the author gives an admirable, concise and clear account of progress in modern science and its effect on the life of the individual and the society. The author is also aware of the fact, that science has failed to solve the problem of evolving an amicable and mutually helpful social life for human beings which it has brought together with a world society and yet he ends on a hopeful note of reconstruction of war-torn Europe as a task for scientists. Nobody doubts that scientific planning can feed, clothe and shelter humanity and give it social security, but though humanity possesses the power to do so, it lacks the will completely and that is really the problem for all social thinkers. The scientist of today is a tool in the hands of national leaders talking different jargons. He is imprisoned in magnificent laboratories, bribed by titles or international honours and is entirely incapable of any plan or its execution for the good of the great human society. This fact is perceived by the author in his pamphlet but is quickly forgotten. Modern European writers talk of 'humanity' and 'world' but one notices that these terms are meant to be applied to white society only. The last war has been described as one of the greatest disasters for mankind. Millions of enslaved people of Asia, who have gained political freedom may write about the war in different terms and it is believed by many that one more such war will be needed before the African natives can gain their freedom.

(MRS.) IRAWATI KARVE

**HOMAGE TO MAHATMA GANDHI.** (New Delhi: Publications Division, Ministry of Information and Broadcasting, 1948, Re. 1)

In this booklet have been brought together some of the tributes paid to Mahatma Gandhi, leader and father of the Indian nation. These include tributes by 33 persons including Pandit Jawaharlal Nehru, Earl Mountbatten, Sardar Patel, C. Rajagopalachari, Sarojini Naidu, Rajendra Prasad and Baldev Singh.

Interesting photographs showing the arrival of the Mahatma in the Radio Station to broadcast to the Refugees at Kurukshetra on 12 November 1947, scenes after his death, Premier Nehru's address after immersion of Gandhiji's ashes, and the national relics of his personal belongings are included.

It is an excellent collection, and one which should find its worthy place in the midst of any collection of books, a constant reminder of the great man who led us during his life time, and in his death even more.

R. SATAKOPAN

**CENSUS AND STATISTICS IN INDIA.** By Dr. S. Chandrasekhar. (Annamalai University, 1948, Re. 1.)

The population census is one of those fleeting phenomena about which everyone knows something but none enough, for even persons who are imme-

diately concerned with the enumeration have hardly any inclination or opportunity to look at its wide ramifications. Dr. Chandrasekhar has therefore done a distinct service by bringing together in readable form all available material on the subject digging out in the process ancient Indian references to the art of head-counting.

The author has made a forceful plea for a permanent census organization but at the same time he has pleaded that even in the existing system a sort of intercensal continuity is provided by the village staff. The force of the latter argument, however, is reduced somewhat by the lack of a suitable village organization in the permanently settled areas and in portions of Indian State territory.

A great deal of useful discussion on definitions has been put into the study and in this context the author's warning that census matters should be free from motives of any kind is timely indeed. Particular attention is drawn to the margin of error in our vital statistics (ranging as it does between 20 to 60 per cent) and to the consequent disparity between actual and estimated population.

The reviewer has only a solitary and short suggestion to make. The suggestion is in regard to the title of the monograph which should really be 'Census and *Vital* Statistics in India.'

S. SUBRAMANYAN

**HIMALAYAS: ABODE OF LIGHT.** By Nicholas Roerich, (Bombay : Nalanda Publications, 1947, Rs. 15)

A melancholy interest attaches to this beautiful volume, owing to the recent death of the author. The Himalayas have attracted with their eternal fascination numerous travellers and explorers, Indian and European. Stratchey, Oakely, Sven, Hedin, Havell, Young-husband, and a host of others have paid their tributes to the beauty of the Himalayas. The earliest tribute is perhaps that of Sir John Stratchey, recorded about a century ago: 'The snowy peaks of the great Himalayas. He who has seen this view, or the still finer ones that are to be obtained from other parts of central Kumaon, may feel quite satisfied that he has seen the most sublime and astonishing of 'all earthly spectacles'. While the Himalayas attract the European travellers for their flora and fauna, for the ethnography of the hill-tribes, their hilly manners and customs,—the holy Himalayas, the Abode of Shiva and Parvati lure the Indians, the devoted pilgrims for their spiritual merits. According to the *Skandapurana*. 'He who thinks of Himachal—is greater than he who performs all worship in Kasi. As the dew is dried up by the morning Sun so are the sins of mankind by the sight of Himachal'. Professor Roerich's worship of the Himalayas was of peculiar significance. His point of view, while partaking of and embracing the points of view of the average Indian and the average European was something more than that of an artist fascinated by the colours and forms of the Holy Snows. All his life, Roerich had been an indefatigable traveller, an intrepid explorer, a veritable pilgrim who had crossed all the impenetrable mountains of the world and seen all

the beauty spots in the three continents. He was a 'Man of the Mountain', a devotee of the mystery, the solemnity and the desolation of the rocky faces, the geological ebullitions of the earth, their silence, grandeur, and majestic beauty which he explored and set down on his innumerable canvasses in wonderful colours. But this was not merely an artist's tribute. He travelled all over the world and chose the Himalayas for his habitation and built an *Ashrama* at Naggar (Kulu District), where he lived as a recluse, as a hermit during the last twenty years of his life. His love of the Himalayas and the secret of his worship of this King of the Mountains is pithily expressed in his own words: 'Now where is there such glimmer, such spiritual satiety as amidst the precious snows of the Himalayas ..... I am happy to have the privilege of disseminating throughout the world the glory of the Himalayas—the Sacred Jewel of India'.

That he has eminently succeeded in his mission is apparent—in every page of this fascinating volume—where the stimulating legends and association of the Hindu Sages (Vyasa, Valmiki, Charaka) as well as of the Buddhist Saints (Maitreya and Shambala) are set down with exquisite poetry, and in the convincing sincerity of his belief. It is not the record of an ordinary traveller, but a sheaf of ecstatic ejaculations of a Seer who had made the holy Himalayas his permanent habitation. The text is interspersed and illuminated by a series of beautiful pictures from his brush (some in colours) which are as much telling as the words of the text and are integral part of the book.

A warm praise is due to the publishers who have given an exquisite flavour and beauty to this fascinating tribute of a devotee who saw the Himalayas through Indian eyes. The book must find its way in every Indian home.

O. C. GANGULEE

MY ASHRAM PLAN FOR RURAL UPLIFT. By K. S. Venkataramani  
(Madras: Svetaranya Ashrama, Mylapore, 1947, Re. 1/8)

It is always a pleasure to read the works of Mr. Venkataramani written in his usual 'poetic prose'. My Ashram Plan was born out of the author's dream of remodelling the seven lakhs of Indian villages into rural units aiming at the ideal of self-sufficiency. The seven institutions, viz., the Elementary School, Industrial Section, the Agricultural farm, a Dairy on co-operative lines, a Multi-purpose Society and a Village Panchayat with a controlling officer are to constitute the Rural Unit. The author makes special mention of the importance of cottage industries and the Village Panchayat in rural economy. These ideals are indeed noble, for the achievement of which Mahatma Gandhi toiled all his life. The financial aspect of the Plan has also been explained fully, although this part of the scheme will have to be modified in the light of the recent division of the sub-continent. The author believes, and rightly too, that the Plan cannot materialize without a certain measure of State-aid. The absence of any reference to the appalling problem of untouchability, even in the section dealing with some

immediate rural needs and reforms, or at least in the chapter on convictions and reflections, leaves, I think, a poignant lacuna in an otherwise brilliant exposition. My Ashram Plan for Rural Uplift is verily a guide for action and not a mere survey of existing conditions.

V. K. M. MENON

THE SINO-INDIAN JOURNAL. *Edited By* Tan Yun-Shan. (Shantiniketan: Published by the Sino-Indian Cultural Society in India 1947, Rs. 2/8)

The object of the Sino-Indian Cultural Society is to investigate the learning of India and China, to help in the interchange of their cultures, to cultivate friendship between the two peoples, and lastly to work for universal peace and human fraternity. In an autographed message to this first journal of the society, Generalissimo Chiang Kai-shek has said: 'This is a right way to friendly intercourse between neighbours'.

The magazine will be published twice a year and it is organized under an advisory board with the poet's son, Rathindranath, as Chairman.

The first issue contains good wishes from persons like Mahatma Gandhi, Pandit Nehru and Sir Mirza Ismail. It contains 15 contributions, including Pandit Jawaharlal Nehru's presidential address at the fifth annual General Meeting of the Sino-Indian Cultural Society, held at Shantiniketan in December 1945. The subject was 'India and China'.

India and China together form half the population of the world. Not merely in area and numbers but in regard to their culture and civilization they belong to two of the most ancient races on earth. Yet they are young and vivacious; combining the vigour of youth and the maturity of ripe age.

Historic accidents had kept them apart. India had looked in the past towards England and Europe for guidance and inspiration. China had been ravaged by successive wars that had sapped much of her vitality. It had become the common ground for the clash of ideologies between Washington and Moscow. It is high time India and China come to know each other a little too well, so that their individual and combined might could be thrown in the cause of world peace and progress.

R. SATAKOPAN

#### ARTICLES ON INDIA IN FOREIGN PERIODICALS

##### *Social*

HINDU WIFE. *By* Douglas Trim, *Eastern World*, April 1948.

The writer says that the conventions and inhibitions attached to the Hindu wife make her servile. The author is therefore amazed that in spite of these practices she is loyal to her husband.

THE CROW AMONG THE HINDUS. *By* N. N. Eswar, *Eastern World*, April 1948.

The crow is looked upon as a herald, and occasionally as the embodiment of the departed soul by the Hindus. The article deals with such prejudices and superstitions connected with the crow.

THE ANTIQUE IN INDIA. By Prof. H. P. Humphrey, *Spectator*, 21 May 1948.

The primitive conditions in an Indian village, the village craftsmen and the wild hills are the principal attractions for the author. The manners and customs of the villagers are compared with those of England in the middle ages.

*Economic*

FINANCIAL PROBLEMS OF INDIA AND PAKISTAN. *Great Britain And The East*, May 1948.

India's financial position is explained with special reference to sterling balances. The increase in expenditure in regard to defence and foreign relations after the attainment of independence is emphasized and a comparison of India's financial position with that of Pakistan is made.

THE EMPLOYMENT SERVICE IN INDIA. *International Labour Review*, April 1948.

A helpful summary of the information regarding the progress made by the Resettlement and Employment Organization in India.

THE INEQUALITIES OF INCOME IN INDIA AND PAKISTAN. By Dr. L. Delgado, *Eastern World*, April 1948.

The author is of the opinion that India has not reached the stage in which inequalities in the distribution of wealth can be defended on the grounds that they are a necessary basis for the capitalization of industry and that they facilitate patronage of arts.

*Political*

INDIA. *The Round Table*, March 1948.

The assassination of Mahatma Gandhi and his hold over the people of India have been described. A factual review on Indo-Pakistan dispute is given.

THE ASSASSINATION OF GANDHI. By A. Dyakov, *New Times*, 11 February, 1948.

It is pointed out how unlike other political leaders of the earlier school Gandhi drew the people into the political struggle. The author says that by preaching class collaboration and non-violence he made his tactics acceptable to the Indian bourgeois.

PARTITIONED INDIA. By A. Dyakov, *New Times*, 14 January 1948.

The author deals with the partition of India and its consequences. He states that because of the influence of British Governors, British Officers and British Capital the struggle for India's genuine independence is still far from completed.

INDIA AGAIN. By Sir John Thorne, *Spectator*, 5 March 1948.

The author refers to the internal problems of India and the alleged differences between Nehru and Patel. He makes a vain attempt to take an impartial attitude towards the Indo-Pakistan disputes.

MEMOIRS OF GANDHI. By H. S. L. Polak, *The Contemporary Review*, March 1948.

A disciple of Gandhi from 1904, Mr. Polak traces the life of Gandhiji in South Africa. He shows how dynamic and great Gandhiji had always been.

MAHATMA GANDHI. By A. G. L. Shaw, *The Australian Outlook*, March 1948.

A biographical sketch of Mahatma Gandhi from the beginning of his political career. The article ends with the hope that in future Gandhi's social and economic programme would receive even better recognition in India.

## NOTES AND MEMORANDA

### LABOUR IN THE SMALLER INDUSTRIES IN INDIA

By T. SATYANARAYANA RAO

A SUBSTANTIAL proportion of total industrial employment in India is in the smaller industries, most of which are unregulated. This predominance of small units in industry is likely to increase with the progress of industrialization, since several factors such as the scarcity of capital, the desire to decentralize industry and distribute it widely over the several regions of the country, and the development of electrical power, promote and facilitate such a trend. It follows, therefore, that labour in the smaller industries deserves greater attention, protection and encouragement than it has so far received.

This short note on labour conditions in these industries is mainly based on data contained in the reports of the Labour Investigation Committee (referred to hereinafter as L. I. C.). Attention is confined to those industries in which units of a small size, mostly employing less than 50 persons, form a substantial proportion of the total.

#### *Employment*

The number of persons employed in unregulated industries, for which no authentic statistics exist, has been estimated by the L. I. C., roughly at one million. Of these, the following industries account for more than 750,000 as given below:—

<i>Bidi</i> making	..	..	..	..	500,000
Mica manufacturing	..	..	..	..	140,000
Shellac	..	..	..	..	25,000
Glass	..	..	..	..	12,000
Carpet making	..	..	..	..	7,035
Coir and coir matting	..	..	..	..	70,000

---

754,035



Adding to these the persons employed in several other small industries not included in the list, such as small tanneries, printing presses etc., and also 117,311 persons employed in rice mills which employ generally less than 50 each, the total employed in small industries could be safely estimated at 1.25 to 1.5 millions. As against a total employment of 2,436,312 in the other factory industries in British India in 1943, this figure is certainly not unimpressive.

Certain features of employment in these industries are noteworthy. (a) A large proportion of the labour employed consists of women and children. Women formed roughly 33.7 per cent of the total employed in rice mills in Madras, 68 to 80 per cent in mica splitting factories, 25 to 34 per cent in shellac factories and 30 to 40 per cent in the *Bidi* industry. (b) The major part of the labour in these industries is unskilled, and retains a much closer connexion with the village. (c) Wage-payment is mostly by piece-rates. (d) Some labourers are employed through middle-men who distribute materials to home workers on a commission basis. These features render labour relatively weak and easily liable to exploitation.

#### *Condition of Employment*

Employment in these industries has been extremely irregular due partly to their seasonal character and partly to war-time difficulties regarding the availability of coal, materials, transport etc. which still persist. Terms and conditions of employment are extremely unsatisfactory there being no permanency, no standing orders or rules, no increments or promotions etc. The class of employer found in these industries is generally uneducated and averse to any proposal to improve labour conditions.

#### *Labour Turnover and absenteeism*

Since much of the labour is unskilled and still closely connected with the village, a large degree of labour turnover prevails in these industries. The system of advances of money by employers, to recruit labour when needed, accentuates this phenomenon.

Employers state that absenteeism is very high, and that it has been on the increase due to recent rise in wage-rates. But in the absence of any reliable records, this is difficult to believe. Genuine absenteeism appears to be low, since workers cannot afford, at the current high cost of living, to lose even a day's wages. To the extent that it does prevail, absenteeism appears to be largely due to sickness or other domestic exigencies.

#### *Labour Legislation and its enforcement*

Most of the existing labour laws do not apply to several of the smaller industries since they do not use power, or because the number employed is less than 20. The Factories Act applies to the rice mills, and other concerns such as tanneries, employing power. In Bombay, the Act has been extended to *bidi* factories employing 20 persons or more, and also to a number of concerns which use power, employing 10 workers or more. The concerns to which the

Factories Act applies are also covered by the Payment of Wages Act, the Workmen's Compensation Act, and the Maternity Benefit Act. Other small industries, not using power, are to some extent covered by the Employment of Children Act (1938). Only in the Central Provinces, there is an unregulated factories act, covering such industries as *bidi*, shellac, and leather-tanning, where the concerns employ 50 or more persons. Madras has recently framed a bill to regulate non-power factories. Elsewhere in India, and for all the small industries other than those mentioned above, there is no regulating legislation of any type.

Even the existing legislation is absolutely ineffective, mainly because the means to detect breaches and enforce the law are lacking. Most of the important provisions of the Factories Act are openly disregarded while the C. P. Unregulated Factories Act has remained a dead letter. The Workmen's Compensation Act where it is applicable is defeated in practice, since most of the smaller accidents are hushed up by small payments. The Maternity Benefit Acts, which are of great importance to industries employing a large number of women, have been rendered utterly futile by discharging employees before they complete the qualifying period of service (6 to 9 months) or on the earliest signs of pregnancy, or by declaring that all the women employed are unmarried, or widowed, or past the age of child-bearing. The Employment of Children Act has also been openly disregarded, and enforcement has become difficult due to the inadequacy of the inspectorate.

#### *Inadequacy of Inspection*

The main reason for the failure of labour legislation, even where it applies, is therefore the inadequacy of the machinery necessary to enforce it. The inspectors of factories are too few to pay frequent visits, each assistant inspector in Madras having to cover three or even four districts. In the short time available, they pay more attention to technical than to labour aspects. Inspection is rendered useless since the penalties imposed on prosecution, if carried out, are negligible.

If, therefore, labour administration is to be satisfactory, and the smaller industries are to benefit from it, the expansion of provincial labour staff by employing officers trained in labour work is the foremost pre-requisite.

#### *Wages*

The most fundamental problem of the smaller industries is that of wages. In the absence of trade unions, wage conditions in these industries remain deplorable, although, during the war there has been a 50 to 100 per cent rise in the basic wages. Considering that the cost of living has risen by no less than 150 per cent, it is clear that the real wages of workers have declined. The following table roughly indicates the average monthly earnings of workers in some industries :—

*Average monthly earnings of sampled workers in certain industries*

Industry 1	Centre 2	Skilled workers 3	Unskilled or Semi-skilled workers		
			Men 4	Women 5	Children 6
1. <i>Bidi</i> -making	Bombay	..	30-9-4	25-2-3	..
	Nasik	..	40-8-4	32-10-0	..
	Madras	..	18-3-10	..	9-12-0
	Mangalore	..	20-15-0	..	..
	Mukkudal	..	..	4-15-10	..
	C. P.	..	59-0-0*	..	..
	Bengal	..	..	21-0-0	..
2. Rice Mills	Madras	35-2-0	13-8-0	12-3-0	..
	Bengal	18-0-0	19-8-0	..	..
		to	to	..	..
		50-0-0	35-12-0	..	..
		33-0-0	12-0-0	8-0-0	..
3. Shellac works	Mirzapur	33-0-0	12-0-0	8-0-0	..
	Gondia	20-8-0	16-0-0	13-0-0	..
4. Mica splitting	Bihar	21-8-6	10-2-6	10-2-6	10-2-6
	Gudur	12-6-0	10-0-0	10-0-0	..
		to			
		33-0-0			
5. Tanneries		26-0-0			
	Madras	to			
		32-8-0	13-0-0		
		58-0-0			
	Cawnpore	to	..	..	..
6. Carpet Weaving		65-0-0			
	Mirzapur	40-0-0	15-0-0		
		to	to	..	..
		50-0-0	28-0-0		
	Srinagar	24-0-0	12-0-0		
		to	to	..	..
		35-0-0	19-0-0		
	Amritsar	20-0-0	20-0-0		
		to	to	..	..
7. Glass		50-0-0	50-0-0		
	Firozabad	70-0-0	24-4-0	..	19-8-0
		to	to	..	to
8. Coir Mats and Matting		260-0-0	39-0-0	..	26-0-0
	..	27-8-0	23-2-6	15-2-6	7-11-0
		to	to	to	to
		56-1-0	53-7-10	19-4-0	13-4-6

\* Weighted average for married workers, comprising the earnings of the whole family.

Source:—Data collected from L. I. C. reports. Average daily earnings, where given, are converted into monthly earnings on the basis of 26 working days in a month).

The above figures, although not comprehensive, are enough to indicate the exceptionally low level of wages prevailing in these industries, specially in the *bidi*, mica-splitting, carpet, cover-matting, and shellac industries. Employment of women and children has afforded scope for further sweating in the shape of differential piece-rates for women, and exceptionally low-wages for children (4 As. to 6 As. per day).

The most important line of reform, obviously needed, is the fixation of minimum wages for different occupations in the smaller industries. It is gratifying to note that the Indian Parliament has recently passed a bill empowering the Central and Provincial Governments to fix minimum wages for a number of industries, (including agriculture) on the advice of wage-committees. It is to be hoped that this legislation will be enforced at an early date.

### *Working conditions*

Next in importance to low wages, working conditions call for immediate attention. The premises in which work has to be done are old houses or rooms not intended for industrial purposes, dingy and ill-ventilated, with bad flooring, inadequate in space, and completely bereft of amenities or sanitary arrangements. Immediate and vigorous action is needed to ensure congenial conditions of work in the interests of public health, industrial efficiency and human decency.

Other problems requiring attention are the wretched housing conditions of the workers, their indebtedness, and the complete absence of welfare activities. The difficulties in respect of their solution are greater than in the large industries since workers are scattered, the individual employer's resources are too small, and pressure from organized labour is absent. The only possible way of tackling these problems is through cooperative effort, by starting co-operative societies, or by the establishment of welfare centres run by the State or local bodies, towards the cost of which the employers should be made to contribute. Trade unions where they exist, should be encouraged to cooperate in the successful functioning of these societies.

### *Conclusion*

To recapitulate the lines of action needed to improve labour conditions in the smaller industries, the following may be suggested as the most important:—

- (1) All industrial establishments, employing five or more persons with or without power should be licensed and brought under regulatory legislation, such as the Factories Act or the Non-power Factories Act recently proposed in Madras.

- (2) Labour departments in the provinces should be expanded; an adequate number of inspectors, including women, well-trained in labour problems, should be employed; inspection should be backed by effective penalties in case of breach or evasion of law. Special attention should be paid to the improvement of working conditions.

(3) As soon as possible, social insurance covering sickness, employment injury, and maternity should be extended to all these concerns.

(4) Minimum wages should be fixed for all the smaller industries through regional wage-boards, and their payment strictly enforced.

(5) Housing, supply of consumers' goods and credit, and welfare activities should be provided by co-operative or State schemes in which the collaboration of employers and trade unions should be sought.

(6) An efficient labour information service should be set up in each province to be constantly at work collecting statistics and information on a uniform basis, conducting periodical surveys, and educating the people on labour problems. The activities of provincial labour information services should be co-ordinated by a central agency.

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## BRITISH FOREIGN POLICY

By G. M. GATHORNE HARDY

THERE has perhaps never been a time when it has been more tempting to speculate, and more impossible to dogmatize, on the subject of British foreign policy. In spite of the rather paradoxical fact that a certain apparent inconsistency—giving colour to the legend of ‘perfidious Albion’—has been one of the most permanent threads in the fabric of our traditional diplomacy, there has in fact existed, almost down to the present time, a remarkable consistency in the principles which Great Britain has applied to the handling of her external relations. But, so far as can be judged at the moment, many of the foundations on which this traditional foreign policy has rested have now been overthrown, and it is a question how far the experience of the past can now provide us with a trustworthy guide to the future, or even to the present.

It is a commonplace to observe that the most fundamental of all the elements which have dictated British foreign policy is the geographical situation of our country as an island contiguous to, but divided from, the continent of Europe. In classical times, when the known world centred on the Mediterranean, and ended for most practical purposes at the Straits of Gibraltar, British isolation would appear, *Prima facie*, to have been almost complete, and the rulers of the Roman Empire could describe us as *Penitus toto divisos orbe Britannos*! Yet even in those remote ages, when the world and the continent of Europe were nearly synonymous, history teaches us that even this degree of isolation was insufficient to create security for the British Isles, and indeed our nation is the product of a series of successful invasions carried out by one continental people after another. We had to keep an eye on Europe, even in days when the preservation, so far as possible, of our natural isolation was the cardinal aim of such foreign policy as we had then developed. But, apart from Europe, Great Britain had, in those primitive times, no interest to pursue abroad and no danger to seek to avert.

In these circumstances, the creation of an effective maritime preponderance became at a comparatively early stage, the dominant feature of our external policy. The inauguration of a British navy may be traced back as far as King Alfred, but, ignoring this, we may say that as soon as the protracted and misguided efforts of our kings to maintain their Angevin dominion on the soil of France had ended in frustration, this aspect of British policy is at once explicitly stated:

The true processe of English policie

Is this, that who seeth South, North, East and West,  
Cherish marchandise, keepe the admiraltie;  
That we bee masters of the narrow see.



So pleads the author of *The Libelle of English Policie*, in the reign of Henry VI, and more than 4½ centuries later we find Sir Eyre Crowe, in his famous Foreign Office memorandum of 1907, laying down the same principle with equal emphasis :

The general character of England's foreign policy is determined by the immutable conditions of her geographical situation on the ocean flank of Europe as an island state with vast oversea colonies and dependencies, whose existence and survival as an independent community are inseparably bound up with the possession of preponderant sea power.

The mention of overseas dependencies in the passage last quoted may remind us that the development of our maritime supremacy had unforeseen effects on the development of British power, as the progress of discovery in all the seas of the world removed the old centre of gravity from the Mediterranean to the oceans, and made the position of our islands in the world no longer peripheral but central. In these circumstances a maritime predominance originally sought mainly for defensive reasons gave to Great Britain not only exceptional wealth, destined at various stages of her history to compensate for her deficiencies in man-power, but also the possibility of that immense colonial development which was eventually to become a factor of prime importance of her international position and policy.

These conditions, in fact, all contributed to the moulding of British foreign policy on the lines which have long been regarded as traditional. The maintenance of an unchallengeable naval supremacy, originally devised purely for the defence of our islands against invasion, now acquired additional importance from the necessity of protecting a widely scattered world-empire and its maritime lines of communication, as well as for the defence of oceanic trade routes. But this task could not be effectively carried out by the use of sea-power alone, but required the creation of bases and spheres of interest at various strategic points, covering both the Mediterranean and the alternative Cape of Good Hope routes to the east, and leading later to the establishment of a naval base at Singapore, guarding a gateway between the Indian Ocean and the Pacific. This policy was the natural ancillary to an unchallenged naval supremacy, and the resulting 'Pax Britannica' is generally admitted to have been maintained in the best interests of the whole world. Otherwise indeed, as Sir Eyre Crowe pointed out in the memorandum already quoted, such power would 'inspire universal jealousy and fear, and be ever exposed to the danger of being overthrown by a general combination of the world.'

Similar considerations created a special British interest in one large land area outside the continent of Europe—the region known as the Middle East, comprising the predominantly Arab territories flanking the Red Sea and the Persian Gulf. It was felt important that this area should not be dominated by any single Great Power of formidable pretensions; for this reason, during the nineteenth century, the existing Turkish suzerainty was supported, in the attempt to exclude first Russian and later German encroachment in a region of such peculiar strategic importance to us. In 1914 however, Turkey stood

—and fell—with Germany, and the policy was modified into one of supporting and entering into treaty relation with the newly formed Arab States and Egypt. The intention throughout remained the same—to prevent any single Power of strategic importance and expansionist tendencies from obtaining exclusive control.

In this respect the policy was analogous to that traditionally followed by Great Britain on the continent of Europe, where she became the protagonist of the policy known as the Balance of Power. Britain had become primarily a world-power, and her political interests in Europe were limited to the necessity of averting the danger of attack from the only quarter which could then threaten that power with any prospects of success. As between the different States of the continent and mutual rivalries, the situation of Great Britain rendered her strictly impartial, but there remained a danger of invasion if a single Power should succeed in dominating the whole of Europe, including the western coasts. On analysis, it may be claimed that the European wars in which this country has participated at least for some two and a half centuries have all been actuated by the principle of checking such inordinate growth in the strength of any one European Power as might imperil the independence of the remainder. This policy of the Balance of Power has been very generally misunderstood, and the term itself has recently fallen into disrepute, but there can be little doubt that the impartial historian of the future will rightly attribute the war of 1914 and 1939, no less than their predecessors, to the pursuit of this policy, ignoring the reasons more frequently adduced in contemporary propaganda.

Nor is there in this fact anything to be ashamed of. In resisting the domination of Europe by a single Power, British policy, even if primarily moved by considerations of our own security, was manifestly exerted in the interest of all numerous States of the continent whose independent existence was threatened. Indeed, the policy of the League of Nations, which is generally regarded as idealistic, was of a precisely similar character—the deterrence or frustration of aggression through its opposition by an invincible combination. As Professor Carr puts it in his book *Conditions of Peace* 'for Britain, the League was an instrument for resuscitating the Balance of Power'.<sup>1</sup> Traditional British policy, in fact, during the period between the two world wars of the twentieth century, remained unchanged in principle, though modified in detail to meet certain important changes in the distribution of power which the war of 1914-18 had, or appeared to have, created.

For the successful operation of a policy of Balance of Power involves a distribution of strength among the States of Europe which is not invariably present. The conditions are most favourable when there exist on the continent a considerable number of first class Powers of approximately equal strength. During the first half of the nineteenth century, these conditions were almost ideally present, but the growth and consolidation of the German Empire seriously disturbed the equilibrium, and led to the organization of the continent in the

<sup>1</sup> P. 192.

peculiarly dangerous form of two allied camps with no decided predominance over each other,—a substitution, in fact, of the precarious simple balance of a pair of scales for the multiple balance of the many lights in a chandelier.

The first world-war caused a further deterioration in Europe, by seriously reducing the numbers of the Great Powers of that continent. Austria, Germany and Russia were apparently eliminated, leaving only, of the former Concert of Europe, France, Italy—whose claim to first class status was more than questionable,—and Great Britain. Meanwhile, two powers outside Europe, the United States and Japan, had risen to the first rank, and the situation was further complicated by an enormous growth in the numbers of European States in the lower military categories, the extent of whose contribution to the maintenance of an effective balance was dubious and unpredictable. In these circumstances, the traditional British policy in Europe became inapplicable in its original form, and the only apparent alternative was the extension of the multiple balance to the whole world, in accordance with the collective security provisions of the League of Nations, which thus became, as was frequently asserted by statesmen of all parties, the 'sheet-anchor' of British foreign policy. This created, in theory, the requisite counter-check to any bid for domination by a single aggressive Power, while it also provided an alternative to the previously existing concert of Europe, through which Great Britain had retained a voice of impartial counsel and mediation in the crises of the continent.

This has always been a factor of the greatest importance in the pursuit of British foreign policy. In her dual position of a world-empire and a European island compelled to guard against possible threats to her security from the adjacent continent, Britain might be compared to a collection of amphibians in a zoo, completely indifferent to the mutual rivalries of the storks and herons, yet vitally interested in the orderly management of the whole menagerie, and in anything which might increase the greed or the power of flight of one of these frog-eating creatures. Her voice in the counsels of Europe was thus of essential importance to her, while at the same time her special position gave her an impartiality which enhanced her qualities as a mediator. But British policy in Europe involved, for this reason, the maintenance of a freedom of action unfettered by special friendships or alliances. Incidentally, this abstinence from long-range commitments was in line with the characteristic bent of British mentality, always more fertile in impromptu resource than in far-sighted planning, and peculiarly alive—possibly because of the vagaries of our climate—to the danger of unforeseen developments. Be this as it may, it has long been characteristic of British Policy to retain a free hand to treat the friend of one moment as the enemy of the next and vice versa; indeed, in the course of recent centuries England has fought in alliance with and in opposition to all the Great Powers of Europe.

This attitude of detached impartiality has of course given the detractors of this country the opportunity for accusations of fickleness and perfidy. It may fairly be claimed, however, that the existence of such an unprejudiced voice in the counsels of Europe is really of the greatest value, and that a pre-

cisely similar impartiality is a necessary condition if aggression, from whatever quarter it may come, is to be opposed by such a system of collective security as was envisaged in the Covenant of the League, or as the United Nations Organization is at present designed to provide. It may further be claimed, moreover, that in fact no country has been more punctilious in the performance of such obligations as it has been persuaded to undertake.

It follows from this traditional attitude of strict impartiality as between the other European Powers, the orthodox British policy has extended the same indifferent tolerance to their systems of government or political ideologies. Britain has found it possible to have friendly and even cordial relations simultaneously with republics and autocracies, nor has a change in the régime of any country normally been regarded as a ground for intervention, unless by its character like the use made of Russian Communism today, it threatened a disturbance of the balance of power. As Praed expressed it in 1831:—

Let Portugal have rulers twain,  
Let Greece go on with none,  
Let Popery sink or swim in Spain  
While we enjoy the fun;  
Let Turkey tremble at the knout,  
Let Algiers lose her Dey,  
Let Paris turn her Bourbons out;  
Bah! take the sword away.

In spite of the popular belief to the contrary, and many official protestations, this characteristic of British foreign policy can be observed right down to the outbreak of the second world-war and even subsequently. It is demonstrably untrue that this war arose as a conflict between the rival ideologies of democracy and fascism. All of the States to whom the British Government extended or offered guarantees in the concluding stages of the 1939 crisis—Poland, Turkey, Greece, Rumania—were subject to totalitarian rather than democratic systems, and the same is true of Soviet Russia, whose friendship was then vainly sought. The facts that Fascist Italy was left completely undisturbed until she declared war in June 1940, and that diplomatic relations and prolonged efforts at conciliation with Nazi Germany persisted right down to her final act of aggression against Poland, make it abundantly clear that ideological differences would have been altogether ignored, but for Hitler's bid for universal domination. Against that threat to her security, and that alone, Great Britain was as always, prepared to fight, in company with allies as contrasted in political convictions as the United States and the Soviet Union. If this political indifference is no longer true, there has now occurred a fundamental change, in this respect, in British foreign policy.

To recapitulate: this traditional policy, then, has hitherto had two main aspects: a policy towards Europe almost exclusively concerned with considerations of our insular security, and a world policy, based on naval and maritime supremacy, which has been mainly concerned with the maintenance and development of our imperial connexions and the furtherance of a com-

mercial prosperity vital to the existence of an island kingdom peculiarly dependent on external supplies. It is important to realize how the world aspect, no less than the European, has, in serving the interests of our own country, simultaneously advanced those of the world as a whole. The growth in wealth and prosperity of countries all over the globe, the opening up of new markets and sources of supply, and the general maintenance of 'the open door,' have been largely due to deliberate British policy, which has perceived that a customer buys more when rich than when poor, and that general prosperity and an ample and unrestricted flow of trade are in the interest of all parties. In pursuit of these ends, Great Britain has invested a large proportion of her available wealth in the development of foreign countries, deriving thus a valuable income directly from the interest on these investments and indirectly from the share in carrying the trade of the world which she has enjoyed by virtue of her position as a maritime nation. The wealth thus created in other nations has made them eager and important purchasers of our own products, while the general prosperity has increased the flow and reduced the cost of the external supplies essential to us. Until the economic crisis of 1931, we have even continued to stand, though isolated in this respect, for the principles of free trade, and it is perhaps worth noting that this policy was regarded by Sir Eyre Crowe, in 1907, as an important safeguard against international jealousy, which 'undoubtedly strengthens her (Britain's) hold on the interested friendship of other nations, at least to the extent of making them feel less apprehensive of naval supremacy in the hands of a free trade England than they would in the face of a predominant protectionist Power.'

If we now turn to consider how far the policy thus summarized is applicable in present circumstances, our first impression may well be that nearly the whole basis on which it rested has been destroyed. Yet further consideration may convince us that British foreign policy is so largely the automatic consequence of our situation that many of its features and principles are likely to persist, in a suitably modified form. In relation to that aspect of our policy which is concerned with the world as a whole, the situation has been principally affected by the loss in material and financial power which Great Britain has recently undergone. She has fallen from the status of a creditor to that of a debtor nation; a fate which has been greatly accelerated by the burden of the recent war, but which is in fact only the culmination of a process which has been going on for many years. The financial leadership enjoyed by this country during the nineteenth century was the result of specially favourable circumstances which can never be expected to recur; many other countries have long since caught up with the impressive start which Britain enjoyed as a pioneer in the industrial revolution, and because of which she for some time possessed a virtual monopoly. Throughout the twentieth century, and especially since the end of the first world-war, the decline in our financial fortunes has been masked by the use of wealth acquired in more fortunate circumstances, in particular by a flow of interest from foreign investments of long standing, but we have really been living on our savings, and during the recent struggle, both income and capital have been practically exhausted. At present, we

seem confronted by a situation in some ways reminiscent of the process which brought us wealth and prosperity from the sixteenth century onwards. The discovery of the new world created a commercial magnet which transferred the metropolis of world power westwards from the shores of the Mediterranean to those of the Atlantic and especially our own coasts. The same magnet has now completed the process by attracting that metropolis to the American continent itself. The dominant world Power is now unquestionably the United States of America, which has not only assumed a commercial pre-eminence but has also deposed us from that naval supremacy on which British policy has primarily been founded.

Fortunately, we have no reason to fear a challenge to our maritime security from this quarter. We still possess, and it is to be hoped will continue to maintain, a navy adequate to deal with a threat from any country which is conceivably likely to be hostile, the defeat of Japan having removed our most dangerous alternative rival. More serious is the fact that the protection afforded to our shores by sea-power alone can no longer confer anything like the same measure of security as of old. As the experience of the late war taught us, our crowded and urbanized island is peculiarly vulnerable to attack from the air, and might indeed be an ideal target for the atomic bomb and similar devastating missiles, against which no complete defence has yet been devised. This change is bound to make the maintenance of peace more than ever a cardinal aim of our policy.

A further important change has come about in the constitution of the British Empire. Down to the first world-war, Great Britain was able to speak with authority in the sphere of foreign policy for all her Dominions, colonies and dependencies, as a single unit; in fact, as recently as 1911, Mr. Asquith could claim in an Imperial Conference, without dissent from any quarter, that the sovereignty of the mother country in the field of foreign policy could not be shared. This, of course, is no longer the position; though the loyalty of the Dominions in the late war was admirably complete, apart from the neutrality of Eire, the exception brings home the fact that this co-operation is now completely voluntary, and such leadership as Great Britain may still exercise over her Empire as a whole must depend on persuasion rather than on constitutional right.

Yet, in the present conditions of reduced strategic and financial power, in days when the successful waging of war depends on so much more than men and weapons, the unity of the whole Empire would appear to be more than ever essential. As recently as 1925, Great Britain could assume important international commitments, in the Locarno Treaties, without the support of her Dominions; now, such an independent excursion in foreign policy could hardly be undertaken with safety. By ourselves, it is doubtful if we could claim any longer the status of a first-class Power from the strategic point of view: our strength must depend, more than ever before, on the solidarity of our whole Empire, and on acting with the co-operation and approval of as many friends as possible, in particular the United States. In these circumstances, it seems probable that Field-Marshal Smuts was right in emphasiz-

ing that the present basis of our foreign policy must be influence rather than power. The former does not disappear with the diminution of the latter. On the contrary, our unparalleled experience in the conduct of world affairs still confers on us a voice of Nestorian authority in international councils, through which we may still hope to retain a leading position.

This is the more probable since with regard to the United States past experience suggests that the real problem in that quarter is not the possible misuse of its newly acquired world supremacy, but reluctance to exercise it, combined with some indifference to and lack of understanding of the affairs of the older world. In these respects it may, with all modesty, be claimed to be the function of Great Britain to serve as a bridge to keep these external interests alive, and tactfully to provide sage counsel as to the best means of serving them.

It is lucky that in present circumstances the attitude of the United States towards ourselves and the continent of Europe seems likely to be closely analogous to our own traditional European policy. In conditions of modern warfare, when the danger to be feared is no longer 'a pistol pointed at the heart' (the description applied by Napoleon to Antwerp) but air-borne projectiles with wholesale devastating properties and a range of thousands of miles, the Atlantic has become for America what the Channel has traditionally been for us, and the integrity of Great Britain and western Europe is now perhaps as vital an element in American security as that of the Low Countries and the Channel ports has hitherto been to ourselves. Conversely, the security of many of our over-seas Dominions and the maintenance of sea communications in remote parts of the world must depend, in present conditions of maritime power, to an important extent on the power of the United States, so that, from the British, the American and the Imperial points of view, the closest mutual co-operation seems to be dictated. Yet in all this there is no fundamental change in the principles of our foreign policy; we seem merely to hear an echo of the words of Canning: 'I called the New World into existence to redress the balance of the Old.'

When we turn to the European aspect of British policy, which remains a permanent and inevitable feature of our amphibious situation, the need for some such modification becomes glaringly evident, for the leading characteristic of the present situation in Europe is the apparently total lack of material for the construction of a continental balance of power on traditional lines.

On the continent of Europe, the reduction in the number of the Great Powers which threatened the system at the close of the first world-war has now reached a stage when we may look in vain for any country with a real claim to this status, with the exception of the predominantly Asian power of the Soviet Union, which at present embodies the threat of European domination against which a counter-balance must be sought. No other State on the continent is of nearly comparable strength. The only possible rival would be a rearmed and reunited Germany, but to attempt or permit such a revival would not only be to deprive our hard-won victory of all meaning but to create an equivalent danger by a policy of casting out Satan through

Beelzebub. France has tragically forfeited her long-standing claim to first class status, and her ultimate recovery is, if attainable, distant and problematical. Italy, whose title was always doubtful has shared with her Axis partner a common defeat. The British Empire, if fully loyal and cohesive, and with its long lines of communication adequately secured, may no doubt still be reckoned among the Great *World* Powers, but Great Britain is not, and has not been for a long time, a first-class *continental* power in the military sense.

On the other hand, the experience of a second world war has demonstrated the illusory character of the alternative to a Great Power balance consisting in the aggregated strength of a large number of minor States combined in a system of collective security. The conditions of modern warfare turn out to have made the qualifications for successful belligerence on the grand scale so exacting as to be limited to an extremely small number of the countries of the world. Besides armaments and man-power, war demands such wealth, industrial development and command of natural resources as very few States possess. This change has so increased the disparity between really first-class Powers and the rest that any country enjoying the status of the former is as a Triton among minnows. In the late war, for example, every minor Power opposed to Germany, from Poland and France down the scale, was almost immediately overwhelmed. Moreover, such is the fear entertained of participation in modern war that every country seeks to avoid it to the very last moment; the necessary combination and preparation are thus unduly deferred, and it has been proved that no minor State will face the ordeal unless and until its own interests and integrity are directly threatened, which means that there is little confidence to be placed in the co-operation of such Powers situated at a distance from the centre of conflagration. In Europe itself, the substitution of a balance of small for Great Powers is moreover already precluded in the sense of establishing an adequate preponderance on one side. The continent east of the 'iron curtain,' i. e. a line drawn north from the head of the Adriatic to the Baltic, is already for the most part under Russian control and domination, so that a union of the western minor Powers, even if complete, achieves no more than a precarious equilibrium.

Yet in this revolutionary change of circumstances the objective of British policy in Europe remains unaltered—the frustration of any attempt by a single Power to dominate the entire continent. Fortunately, it is a permanent characteristic of British foreign policy that it allows of the utmost flexibility of method in combination with a remarkable constancy of purpose. If the elements of the traditional balance of power are no longer present, Britain must rely on a combination of the available alternatives.

First of those is the United Nations Organization which we have been instrumental in creating to serve the purposes of the late-lamented League, with such improvements as experience of that system has suggested. Yet it can hardly be contested that from the standpoint of military security help from this quarter is not to be hoped for. Our disappointment in this respect is one more instance of that prevalence of the unforeseen which lies at the root of



British reluctance to accept long-range commitments of policy. As the withdrawal of the U.S.A. upset the basis on which the previous peace settlement was founded, so has the unexpected attitude of Soviet Russia thrown the machinery of the U.N. Security Council completely out of gear. That machinery, though it may still be adequate to restrain the bellicose tendencies of minor States, is constructed on the assumption that the co-operation of the Great Powers attained during the recent war will permanently continue, and these Great Powers are given by the Charter a privileged position which enables any one of them effectively to block any use of its machinery against itself. This does not mean, however, that the Organization as a whole is doomed to futility--far from it. So far as we can see at present, the domination sought by the Soviet Union does not rely on the use of arms, but on the infiltration of a subversive ideology. Against this form of aggression, UNO provides an effective shield in two ways, firstly through deliberative machinery calculated to keep public opinion throughout the world informed and vigilant, and secondly through the opportunities which it affords for diminishing those economic and political sources of unrest and discontent, which render the world a promising seed-plot for revolutionary propaganda. Support of the United Nations Organization must therefore continue to be a prominent element in British policy, though this aspect of it must rely in Smuts' phrase on influence rather than power.

The United Nations Organization, constitutes probably the closest link at our disposal with the greatest and yet the least aggressive of all world powers--the United States of America. Maintenance of this bond is essential to us, for so long as the recently awakened interest of this Power in the European continent can be maintained, the military as well as the ideological balance of power is in a satisfactory condition. The opponents of Soviet domination have the requisite predominance, strategic, political and financial. In present circumstances, the vigilant collaboration of the U.S.A. is all that can be wished, but past experience cannot, in our candid moments of reflection, wholly free us from a fear that there may one day be a relapse into her traditional isolationism, if the situation seems to become less threatening to the Trans-Atlantic world. It must therefore be a part of our policy to serve as a bridge to keep this vital strategic element in the situation permanently alert and co-operative.

Finally, we must make the most of the support available to us on the continent of Europe. Individually important as the States of Western Europe may be, there is a possibility of building them, through more intimate union, into the equivalent of one or more Great Powers of substantial importance. The aggregate military strength of such a combination, suitably organized, might be considerable; economic and financial collaboration can further increase this strength, while the growing prosperity to be anticipated from this policy will in itself be a formidable bulwark against the tides of Russian Communism. However loose and informal the union may for some time remain, it should, as has been very generally agreed, include some form of common deliberative assembly, in which Great Britain, while careful to

maintain her overseas connexions with her Empire and the U.S.A., can herself participate, in her capacity as a western European Power.

This sketch of the probable modifications of British foreign policy under existing circumstances is of course no more than the conjecture of a humble and uninfluential student of international affairs. In so far as it is correct, it suggests that the changes necessitated in our traditional policy are evolutionary rather than revolutionary. Our policy remains, to a very large extent, the automatic consequence of our situation. Its two main preoccupations, towards Europe and towards our Empire and the world, remain; but in the rapidly shrinking world of the present day they are more likely to be harmonized than they have been in the past. It is a fatal fallacy to conclude, as did F.M. Smuts in 1921, that the European stage is no longer of the first importance. That inference was catastrophically disproved in 1939, and the old continent is still as likely as ever to be the focus of any future international conflict. The difference is that no part of the world can now afford to disinterest itself in the affairs of Europe. On the other hand, Great Britain by herself is no longer strong enough to undertake an Independent responsibility in that region, but her Dominions, if they are wise, will themselves be less inclined to seek an illusory safety in isolation. The power and present inclination of the United States to play a major rôle in world affairs is a new factor which fills the deficiencies in the present balance of power to our manifest advantage. But now and in the future as in the past, the strength of our position lies largely in the fact that our own interests and those of most of the world so closely coincide that the survival of our strength and influence must generally be felt to be indispensable. As a 'nation of shopkeepers,' our main task is to work for a peaceful and prosperous world. My friend Professor Toynbee once remarked that 'the British Empire was the payment which Great Britain had received from the nations of Europe for taking very heavy responsibilities for maintaining their liberties.'<sup>1</sup> Like most epigrams, this assertion may be somewhat exaggerated but there is enough truth in it to make the identity of our own aims with the interests of other nations, in the future even more than in the past, the main preoccupation of our policy.

## PARTITION OF INDIA

(Contributed)

### THE BACKGROUND

It was on 16 May 1946, that the Cabinet Mission to India unfolded its plan for India's independence. That plan provided for an independent united India by June, 1948. It was accepted by the Congress and also by the Muslim League. A little later, however, separatist tendencies gained ascendancy once again in the counsels of the Muslim League, which set its heart once again on the partition of the country.

<sup>1</sup> *International Affairs*, Vol. XVII, p. 378.

On 6 December 1946, Britain's Prime Minister attempted to set at rest League's doubts and difficulties in regard to the Cabinet Mission's Plan. The attempt however foundered on the rock of Muslim League's determination to achieve Pakistan. The League turned its back upon all suggestions for a settlement on the basis of a united India. It launched upon Direct Action to secure its political objective. This was followed by so much bloodshed, arson and destruction of property that it became increasingly clear to Congress leadership that if peace were to be maintained and innocent minorities to be protected, there was no alternative but to agree to partition.

#### THE PARTITION PLAN

On 3 June 1947, the Viceroy and Governor-General of India announced the famous Mountbatten plan. This plan envisaged the division of India into two parts on a territorial-cum-communal basis. It was proposed to demarcate, on a provisional basis, predominantly Muslim areas in the north-west and north-east of India and to ascertain whether the inhabitants of these parts were in favour of a separate State, independent of the rest of India. The plan provided for the transfer of power in a few months, in fact by 15 August, 1947.

On 5 June, 1947, the Mountbatten plan was accepted by the leaders of political parties. Steps were immediately taken to ascertain the wishes of the predominantly Muslim tracts in the north-west and north-east of India. At the same time, a special committee of the cabinet was set up to work out the administrative consequences of partition. The special committee assumed that eventual decision would be in favour of partition and consequently proceeded to set up the administrative apparatus for giving effect to this decision.

#### PARTITION MACHINERY

On 17 June a press communique was issued setting the broad outlines of the set-up for working out the administrative consequences of partition. At the apex of this set-up was the special Committee of the Cabinet, later replaced by the Partition Council. India was represented on the special committee by Sardar Vallabhbhai Patel and Dr. Rajendra Prasad, Pakistan by Mr. Liaquat Ali Khan and Sardar Abdul Rab Nishtar. H.E. the Viceroy presided over the deliberations. When it was replaced by the Partition Council, Mr. Rajagopalachari was added to India's team and Mr. Jinnah to Pakistan's. It was, however, provided that only two nominees from each side would attend the meetings. The Partition Council too was presided over by Lord Mountbatten.

The key-stone of the administrative set-up was the Steering Committee. It consisted of two officers, Messrs. H.M. Patel and Mohammad Ali, each representing, respectively, the successor Governments of India and Pakistan. This committee was the link between the Partition Council and the Expert Committees. It was the function of this committee to ensure that concrete proposals were evolved in time, that these proposals were dovetailed with each other to form a comprehensive whole, that Partition Council's or-

ders were obtained and these orders were implemented in time. The members of the Steering Committee kept themselves in close touch with their respective leaders and, with the assistance of the Partition Secretariat, which also functioned as the Secretariat of the Partition Council and on which too India and Pakistan were equally represented, provided day to day guidance, advice and direction to the Expert Committees.

Ten Expert Committees were set up. These committees were extra-departmental bodies and were expected to submit their reports directly to the Steering Committee for submission to the Partition Council. The Committees had full discretion to decide their own procedure and enjoyed full powers to examine any official witness and to call for from any office of Government any records and any information in a form to be indicated by them within a date to be specified by them. The Committees were composed of equal number of representatives of the two successor Governments. The Steering Committee was required to propose to the Partition Council for its orders the names of persons for appointment to Expert Committees. For this purpose it was given over-riding powers to call for any officer from anywhere. By virtue of these powers, experienced officials, whether stationed in any part of the country or even abroad, were summoned to Delhi. With the solitary exception of the Armed Forces Reconstitution Committee, almost the entire personnel of the other Committees was drawn up from amongst the Indian officials of the undivided Government of India. Although from the date of their appointment, the members of the Committees represented two separate Governments, their common training and personal friendships made for smooth working and harmonious co-operation. The committees were directed by the Partition Council to evolve their proposals in a spirit of friendship and co-operation and with an eye to the greatest good of the two States.

On 20 June, the Steering Committee invited the Expert Committees to a joint meeting. On this occasion, the terms of reference of each of the Expert Committees were explained and the method of work and the time-table were settled. To remind the members of the urgency of their assignment, they were provided with special calendars which indicated for each successive date the number of days left for completing the arrangements for the transfer of power. The Expert Committees were asked to submit their proposals and recommendations by the third week of July, an extra week being given to Expert Committee No. 11 for completing its assignment of listing and dividing the assets and liabilities of undivided India.

From 21 June, the Committees settled down to their laborious but important tasks. The Committees met from day to day. They collected masses of information and discussed all aspects of the problems referred to them for solution. The two groups on the Committees maintained close contact with their respective representatives in the Partition Secretariat and on the Steering Committee and the Partition Council. In this manner a great deal of co-ordination on both sides was achieved, with the result that once the problems had been examined in detail, it was not found too difficult to reconcile conflict-

ing points of view and to produce agreed conclusions on a majority of the points at issue.

Sufficiently rapid progress was made in the work of reconstituting the civil machinery for two successor Governments to enable the businesses of government to be bifurcated from 19 July 1947, on which date the Executive Council (Transitional Provisions) Order, 1947, came into effect. In the original time-schedule which the Partition Council had in view, approximately three weeks had been allowed to the Steering Committee for co-ordinating and dovetailing the recommendations of the Expert Committees and for obtaining the Partition Council's orders on the proposals. But since Mr. Jinnah found it necessary to reach Karachi on 6 August, the period available to the Steering Committee was cut short by a most valuable week.

#### RECONSTITUTION OF CIVIL MACHINERY

The first task to which the Steering Committee addressed itself was the division of the administrative machinery but the human beings could not of course be treated as chattel; the trained administrative personnel of the Central Government, and of the Provinces of Bengal, Punjab and Assam, was consequently shared out on the basis of individual preferences. Existing terms and conditions were guaranteed to all Government servants, and each of them was given the right to opt for the Government he wished to serve. Some of the Government servants found it difficult to make up their mind at short notice; they were asked to make only a provisional election and given an opportunity to reconsider their option within six months from the date of partition. A few others, particularly officers of non-Asian domicile, were indifferent as to the choice. Their choice was made up for them by the Steering Committee. The none too easy job of ascertaining the wishes of lakhs of Government servants scattered throughout the length and breadth of the sub-continent (some of them serving outside the country) was completed within a remarkably short time of two to three weeks. Implementation of their wishes inevitably took much longer and presented numerous difficulties. Herculean efforts were made to complete the transfers in the shortest possible time, regard being had to need for avoiding dislocation of governmental work and undue hardship to the staff concerned. Pay and T.A. were paid to the transferred servants in advance. A Transfer Office was set up at Delhi to co-ordinate the movement of Pakistan-opted staff in the direction of Karachi. Special trains were arranged to leave the Delhi Railway Station almost every alternate day. At Karachi, arrangements were made for the reception of the incoming staff, and for the allocation of existing, and improvisation of additional, accommodation. Despite these efforts, a large number of civil servants found themselves, on the date of transfer of power, on the wrong side of the border. Many of them were caught up in the vortex of communal disturbances. Floods and the break-down of law and order in the Punjab and the N.W.F.P., dislocated railway transport. Eventually, aircraft and steamers had to be pressed into service and by 15 October, the operation was nearly complete.

The policy of giving options to public servants led directly to the communalization of services, particularly in Pakistan. A very small percentage of non-Muslims opted for the new State; with the outbreak of communal violence, they too joined the refugee columns on the way to India. Under the partition arrangements, the employees of provincial Governments were not entitled to opt out of the province they were serving on the date of partition; but such was the pressure of circumstances that non-Muslim employees of the non-partitioned provinces in Pakistan, namely, Sind and N.W.F.P., also had to seek safety in flight. Thus, Muslimization of Services was virtually complete in West, as also in East, Pakistan. In India too, since the greater part of Muslim civil servants opted for Pakistan, the number of Muslims in the employ of India's Central Government fell to a disproportionately low figure. But in provinces and states, with the exception of partitioned provinces, the strength of the Muslim staff remained unimpaired.

The system of options created many gaps in some categories of services and both Dominions suffered. The shortages were particularly embarrassing to Pakistan. The number of Muslims belonging to Superior Services was not adequate to man all the superior posts, and the deficiency had to be met by offering to officers of non-Asian domicile, who had asked for retirement on proportionate pension, attractive terms for service in Pakistan on a contract basis. Arrangements were also made for training Muslim staff in posts of which till then, they had little experience. It was also agreed that some officers and men out of those might be retained against their option in Pakistan or India, as the case may be, for a short period to carry on essential services; under the weight of communal violence, however, this part of the arrangements broke down.

Even trained personnel cannot function effectively without necessary equipment. Adequate supply of stationery was, therefore, rushed to Karachi. The entire capacity of the printing Press at Simla was reserved for the use of Pakistan Government and facilities were also given for the Aligarh Press to be partially utilized on Pakistan's work. For the division of such essential items as tables and chairs, typewriters and duplicators, racks and almirahs, room-heaters and refrigerators, rival formulas were put forward, warmly canvassed and hotly contested. Eventually, Expert Committee No. 1 succeeded in evolving a formula which fixed Pakistan's share on the basis of the requirements of Pakistan opted staff. This formula was applied to the furniture and fittings of Ministers' Offices also, with the result that most of Pakistan's Ministers were able to use in Karachi the same set of furniture to which they had become accustomed as Members of the Pre-15 August Government of India. An amusing illustration of length to which sharing was pushed is furnished by the attempt to divide confidential and secret boxes that had to be abandoned pretty quickly when it was discovered that the division of these boxes involved an agreement on the part of the two Governments to share each other's confidences! Records and files presented a still more ticklish problem; they could hardly be split up between the two Governments in the prescribed ratio. Those of exclusive concern to Pakistan were, therefore, handed over intact

to the Pakistan Government and those of exclusive concern to India were retained in New Delhi. The vast majority of records was, however, of common concern and this had to be duplicated at some cost and a great deal of clerical effort.

#### DIVISION OF ASSETS

Expert Committee No. 2 addressed itself to the no less difficult task of listing and dividing the assets of the Central Government. It took time to prepare even incomplete lists. Controversy ranged round many small and big items. For the division of listed assets, varying suggestions were made and in search of a compromise formula such diverse factors as population, revenue, expenditure, area, requirements, present or potential, were discussed at length. After a long process of wrangling over the weight to be attached to each of these factors and their numerous permutations and combinations, the futility of dividing physical assets with reference to theoretical considerations was realized. Consequently, railways, telegraph and telephone lines, mints, printing presses, laboratories and workshops were allotted between the two Dominions on a territorial basis. Movable stores too were shared out on the severely practical basis of the two Dominions' respective requirements and the greatest good of the two States. Railway rolling stock was shared with reference to mileage-cum-traffic; postal, telegraph and telephone stores were apportioned on the basis of maintenance requirements for the upkeep of these systems in the two Dominions. In addition, telephone equipment was released for providing additional telephone facilities at Karachi and Dacca. Office equipment, as mentioned above, was allotted to Pakistan on the basis of requirements of the Pakistan-opted staff.

Some faint hearts feared that division of fixed assets on a territorial basis and the sudden emergence of two independent administrations on 15 August might endanger the smooth running of services which prior to that date were functioning on a unified basis. Arrangements however were quickly agreed upon to ward off this danger. In the case of postal services, a standstill agreement to run till 31 March 1948, was negotiated. For telegraphs and telephones, a period of two and a half month was adjudged to be sufficient for enabling the two Administrations to re-align the lines, establish exchange offices, and set up separate accounting organizations. The standstill agreement in this case was therefore to run only up to 31 October 1947. In the case of Railways, standstill arrangements were not found to be necessary. But agreed conclusions were reached on the basis of administrative convenience. For instance, no difficulty was experienced in granting to one Dominion running powers over certain sections of the railways inconveniently situated in the other Dominion. Rules for the inter-change of traffic and the participation of the two Administrations in the Wagon Pool were also worked out, and each Administration undertook on behalf of the other a certain amount of technical work for keeping engines and coaches in good order.

The procedure adopted for the division of assets also led to a situation in which certain institutions which before the partition were rendering services

to the whole of the sub-continent fell to the share of one or the other Dominion. In a spirit of mutual accommodation, however, arrangements were made to ensure that, irrespective of the allocations of these institutions to one or the other Dominion, the services rendered by them were continued on, more or less, the existing basis. In the case of institutions providing training facilities, seats were reserved on a population basis for candidates from Pakistan. The institutions providing research facilities agreed to continue them on the existing basis to nationals of both Dominions for a period of three to five years. Similarly, institutions engaged in the manufacture of special items were asked to continue to make supplies on the basis obtaining in the three years prior to the date of partition.

#### FISCAL AND FINANCIAL RESOURCES

The division of fiscal and financial resources of undivided India presented problems of some complexity. Experts who were entrusted with the task of evolving a formula for the division of cash balances failed to reach any conclusions within the short time given to them. Similarly, no agreement could be reached as to the proportion in which undivided India's liabilities were to be shared or the manner in which their respective shares were to be discharged by the two successor Governments. These questions were therefore left over for later consideration but it was agreed that pending a decision by agreement or arbitration, a sum of Rs. 20 crores should be made available to the Government of Pakistan as its working balance. On the question of liabilities, with a view to preventing confusion in money markets and in order to assure the creditors and to keep up the credit of two successor Governments in their eyes, India accepted initial responsibility for the old Central Government's public debt subject to Pakistan contributing its share to be fixed later by agreement or by arbitration. In regard to fiscal resources, proposals for joint administrative control over the collection of revenues were turned down but it was decided that each Dominion should retain the revenues accruing in the two territories after the date of partition. In regard to arrears of income-tax, however, the Partition Council decided that collections up to 31st March 1948 should be shared; there was to be no sharing of revenues after that date.

#### COINAGE AND CURRENCY

Although both India and Pakistan favoured, for psychological and other reasons, the completest possible separation in all aspects of governmental activity, it was found impossible to do so. Thus for instance, it was agreed that the two countries should have a common currency up to 31 March 1948. During this period, India undertook to make available a portion of the capacity of the Nasik Security Printing Press and of the Mints at Calcutta and Bombay for printing Pakistan notes and minting Pakistan coins. Since it was recognized that it would take a good few months for Pakistan notes and coins to be put into circulation in adequate quantities, it was decided that during a transitional period commencing from 1 April 1948, both currencies should be legal tender in Pakistan, India notes and coins being withdrawn



gradually. The Reserve bank of India was asked to function as Pakistan's bankers and also as the common currency authority for the two Dominions till Pakistan took over the management of its own currency.

#### ECONOMIC RELATIONS

In the field of economic relations, complete and immediate separation was out of the question. The economics of the two territories were so intertwined that empty slogans of economic independence soon yielded place to a realistic realization of the inter-dependence of one Dominion on the other. *Status quo*, it was agreed, should be maintained during the interim period, which was to run till 31 March 1948. The Partition Council specifically decided that neither Dominion should modify existing controls, import and export policies, customs tariffs, excise duties and cesses without consulting the other, no customs barriers should be raised between the two Dominions and no restrictions should be imposed on free movement of goods and remittances, including capital equipment and capital.

#### FOREIGN AFFAIRS

In the field of foreign affairs, the Partition Council decided in favour of complete separation and independence. The decision on the subject was embodied in the Indian Independence (International Arrangements) Order, 1947, according to which the membership of all international organizations together with the rights and obligations attached to such membership devolved upon India, Pakistan being left free to apply for membership of such international organizations as it desired to join. Rights and obligations under international agreements concluded with undivided India devolved upon both Dominions: such of these rights and obligations as had exclusive territorial application devolved exclusively upon the Government of the territory to which they related; others, it was provided could, if necessary, be apportioned between the two Dominions.

#### NATIONALITY

In the field of citizenship and nationality, however, seceding areas did not insist on a separate status. Since both Indians and Pakistanis continued to be British subjects, no immediate change was considered necessary as a result of partition. The Partition Council actually went one step further and decided that Passport Rules should be amended so as to provide that there should be no restrictions on the movement of persons from one Dominion to the other.

#### RECONSTITUTION OF ARMED FORCES

The reconstitution of the Armed Forces of the two States also proceeded apace. The personnel of the Armed Forces were divided on a territorial cum-optional basis, Muslims from India and non-Muslims from Pakistan being given the option to choose the Dominion which they wished to serve. The division of regimental centres, installations equipment, stores, etc. raised innumerable complex problems, mainly of an administrative nature. The

Armed Forces Reconstitution Committee, acting under the instructions of the Partition Council solved these problems. Briefly, a third of India's land Forces, a fourth of the navy and a fifth of the Air Force fell to Pakistan's share. The installations were divided on a territorial basis and the troops carried with them their equipment and stores. By the date fixed for the transfer of power, predominantly Muslim Units had been moved to Pakistan areas and others to the rest of India, but a good deal of work connected with reconstitution remained and for this purpose, a Joint Defence Council was established consisting of Lord Mountbatten as the independent Chairman and the Defence Ministers of India and Pakistan as members. A Supreme Commander was appointed as the executive authority of the Council.

It was on 17 June that the Steering Committee commenced its work in right earnest. Expert Committees got into stride by 21 June. Until the second week of August, the Steering Committee and the Expert Committees worked tirelessly day after day and the Partition Council met no less than a dozen times. The last sitting of the Partition Council was held on 6 August when Qaide-Azam Jinnah left for Karachi. During this period of 6 to 7 weeks, the machinery set up for the partition of the country succeeded in carving out the assets, human and material, of undivided India two independent governmental organs. On the date of transfer of power, each of the two successor Governments had at its disposal a fully organized machinery of civil Government, its own Army, Navy, and Air Force, its own railways, posts, telegraphs and telephones and adequate cash and sufficient fiscal resources. Few points of practical importance remained to be decided: outstanding partition issues that were left over for consideration at a later date related mainly to the financial settlement between the two Dominions and included questions concerning Pakistan's share of undivided India's cash balances and liabilities, of *ordnance factories and military stores, and of sterling assets and pensionary charges*. *For the settlement of these issues, it was decided to continue the machinery of the Partition Council; the post-15th August Partition Council was to consist of two nominees each of the Governments of India and Pakistan, without a President. It was also agreed that if the Partition Council failed to reach agreement, the outstanding issues should be referred to arbitration. For this purpose, an Arbitral Tribunal was set up, consisting of a nominee each of India and Pakistan, presided over by Sir Patrick Spens, Chief Justice of the Federal Court of undivided India.*

#### OUTSTANDING ISSUES SETTLED

During September and October, both India and Pakistan were pre-occupied with problems of law and order and the aftermath of communal anarchy which resulted in the exodus or evacuation of minorities from disturbed areas. In November, discussion on outstanding partition issues was resumed. Towards the end of the month, a determined attempt was made to reach an agreement. This attempt proved successful and the references that had already been made to the Arbitral Tribunal were withdrawn. The agreement reached took into account, in a generous measure, Pakistan's special needs and

requirements and was held by the world press to have been actuated by a desire on the part of the two Dominions to contribute to each other's prosperity and well-being. Under the terms of this agreement, Pakistan's share of cash balances was fixed at Rs. 75 crores, which represented about 19 per cent. of the cash balances inclusive of securities, and 23 per cent. of the actual cash held by undivided India. Pakistan's share of liabilities was fixed at 17 per cent. of the uncovered debt plus the value of assets, physical and financial, taken over by Pakistan minus such liabilities as might be assumed directly by the Pakistan Government. It was also agreed that the assets taken over by the two Dominions should be taken at their book value except in the case of strategic railways situated in Pakistan, whose value was written down by 50 per cent. It was also decided that Pakistan's share of liabilities should be treated as a debt due by Pakistan to India and paid in Indian rupees in 50 annual equated instalments for principal and interest combined, interest being calculated at the rate equal to the average yield over a period of 2 years preceding the date of partition of the rupee and sterling securities of the Government of India. India also agreed to grant a moratorium to Pakistan of its partition debt for the first four years, which, read with other terms of the financial settlement, meant that in the immediate future, Pakistan received a very substantial amount of cash, whereas, India met all heavy short-term loans and liabilities and in addition paid Pakistan share of interest for the period covered by the moratorium.

The question of the division of Military Stores was also decided and Pakistan's share was fixed at a third of the stocks held in India and Pakistan on the date of partition or a third of the maintenance and reserve requirements of the two Dominions, whichever was less. Pakistan agreed that ordnance factories should be treated in the same manner as other fixed assets and divided on a territorial basis. To assist Pakistan to set up ordnance factories and other institutions, it was decided that India should make available a sum of Rs. 6 crores in cash, to be drawn as and when required.

Under the directions of the Joint Defence Council, the Supreme Commander also completed the task of the reconstitution of the Armed Forces by November 30. On that date, the Supreme Commander's office was disbanded. The work of physically dividing moving Military Stores however remained and it was entrusted to an Executive Committee consisting of the Defence Secretaries of the two Dominions.

Although many issues that arose between the two Dominions since the date of transfer of power remained unsettled, complete agreement had been reached by 15 of December on all partition matters. Rarely have so many controversial issues between the two contending neighbours seeking separation from each other been settled in so short a time, and without recourse to arbitration by third parties. Truly, the partition work has been described as 'a miracle of concentrated effort and consummate ability.' But effort and ability without goodwill can achieve little. Unfortunately, the memorable work done by the Partition Council of India and Pakistan has been, and is being, put into jeopardy by the fury of communal violence that raged in the months

following the partition, in Western Pakistan and the contiguous provinces and states of India and by the trail of hatred and bitterness that it has left behind.

## PERMANENT FEATURES OF FRENCH FOREIGN POLICY

By JEAN - FRANCOIS

THE French nation, through ages, in her constant effort to defend her life and to keep the part of the earth necessary for her activities, has been at grips with other human groups, in resisting foreign pressure. By her geographic position within the natural borders of ancient Gaul, the Rhine, the Alps, the Pyrenees and the Mediterranean Sea, France is a western peninsula of the vast Eurasic continent.

Since the dawn of history, the people of Eurasia, the inhabitants of the great northern plains which begin at the foot of the Cliffs of Artois and continue without any serious obstacle up to the mountains of Central Asia, tend through a continuous movement towards the light of the ocean, towards the sweeter sky of the Mediterranean shores where 'the orange-tree blossoms'! But impeded by the Alps, the men from the north did not go directly to the Mediterranean Sea; they moved more easily to the large plain, reached Rhine, crossed this river, and they are in France. The people who pretend to remain on the earth of Gaul and establish there their national home, react and face constantly the east, stop the migrations and 'keep the vigil on the Rhine.' It is the first and the more constant of these permanent necessities which weigh upon our History.

The Rhine! For the Germans, it is the great ditch which has to be crossed when coming from the east before entering the Promised Land. For the French people, it is an obstacle which from the North Sea down to the Alps opposes the invasion. President Wilson had called it the 'border of Liberty.' When the German soldiers cross it for invasion it is with a kind of ecstasy and pride; when the French reach it, it is with the feeling that they have carried out the hereditary task, the deep will of all Gallic and French generations, for safeguarding European order and Western civilization.

From Ariostite to Hitler, the threat has always been present and invasions occurred frequently. From the north-east, came always for France the great dangers and, when she diverted her attention from the Rhine, she has always been recalled to reality. The constitution of neutral States, like the Netherlands, Belgium and Luxembourg are a guarantee for France; only the Franco-German border is a breach which has to be watched carefully.

There is no possible safety for France without a minimum of guarantee against the recurring aggression of the people east of the Saar (the Saar has for a long time been a French province). The Ruhr has been the crucible where was forged since one century, the war power of Germany, so many elements of the present French policy and of her permanent policy. The constancy of French policy towards the German problem, in spite of changes of régimes

or governments, shows more than anything else the permanence of the German peril. France has always tried to move aside this threat by trying to make neutral the forces of cohesion and unity of the German people. It is a vital necessity. When France forgot it, she had Sedan, Charleroi and May 1940. Hard lessons that France cannot forget, unlike her Allies whose German policy was different.

The presence of France on the Rhine is an essential condition of a pacific equilibrium in Europe. But France has other continental borders; at the south-east, the Alps and at the south-west the Pyrenees.

France has a policy in Italy, a policy towards Rome. Since the christening of Clovis, affinities and collaboration have settled between France and the Holy-See. In history, France is a Catholic Power, 'Elder daughter of the Church,' she is a daughter on whom the Church can rely; a daughter who speaks frankly, and says her word in common affairs. This great friendship does not mean that French Ambassadors agree always with the views of the Holy-See; they have often made representations to the Vatican. In Italy, the 'Great Latin sister', France has always practised a policy of rapprochement. If the 'Latin Union' is not yet a reality, commercial and economic treaties signed since the end of the war have marked the 'Customs Union.'

When France is fighting on the Rhine, towards the east, it is risky to have Spain at her back. She cannot get out of being deflected from her policy towards Spain and reciprocally Spain, as regards France, which is her only continental neighbour, the only land communication with the continental States.

On all the other sides, France has maritime borders.

But the Channel is narrow, and from the cliffs of the 'Pas de Calais,' one can see the white rocks of Kent. People from Normandy and Picardy, leaving France went to England and conquered it.

England had fought with eagerness to prevent France from becoming a great maritime power. It is an axiom that her security depends upon her mastery of the sea. She has often been compared to a ship: 'The British statesman is a pilot who wants before everything, to keep his freedom of manoeuvring and who feels at ease when he is keeping himself out at sea.' The British sailor on his ship cannot have the same vision of the world as the French peasant on his furrow, he sees the land from the sea, but he is neither necessarily nor directly mixed with what is going on in the Continent. In our times, the rapidity in the communications has brought England and Europe closer. But she keeps, in spite of that factor, the privilege of her insularity. It was the best defence with which she faced Hitler in 1940, as Russia, one year later had opposed and made him lose in the immensity of her land. France had none of these advantages when she was undergoing the onslaught of the German troops. In 1914, on receiving the shock of the adverse army, after the retreat of Charleroi, France launched her victorious offensive of 'La Marne' and finished the war successfully.

In 1940, the rapidity of the means of transport broke the French resistance after fierce battles in which 100,000 soldiers met with death. In 1944, in front of an army which was weakened and fighting with methods

known since 4 years, the American army gave way and the Rundstedt offensive in October in Belgium was very near to success.

If France, in the course of her history, had suffered from the neighbouring of England, at present, the countries, allied in the two last wars, remain allied in peace and the Franco-British Treaty of Alliance and Friendship signed in Dunkirk two years ago, constitutes the continuation of a policy of maritime coordination and mutual assistance which was inaugurated in 1904 with the second *Entente Cordiale*. France and England, champions of the formation of an United States of Europe, found each other united again in the field of European policy.

The ocean invites the people of Britain and France, to go bravely on the seas; sailors from Dieppe have seen America before Christopher Columbus. Seas have always tempted the adventurous genius and the boldness of French navigators; the inclination to apostleship which is one of the features of the human and sociable characteristics of the French race leads her missionaries and priests to the conquest of souls.

The French people are the first to discover America and when the American soldiers came for the first time to fight against the Germans in Europe, it was for France and in France. It seemed a gesture of gratefulness for the part taken by France in the War of American Independence. La Fayette and Rochambeau were not forgotten.

But the activity of the French on the ocean has been intermittent as too many tasks were calling them in France, sometimes imperiously like the 'guard on the Rhine.'

More continuous has been the activity of the French people in the Mediterranean. It is the sea *par excellence* where France has her doors largely open.

Opposite to her Mediterranean coasts which are bathed in the light of the East or illuminated by the African sun, many seducing prospects are in view. It is Corsica, Italy, Naples where a French dynasty was established; it is straight to the South Algiers, Tunis, Morocco from where the Saharian caravans lead towards the mysterious Sudan and the 'Afrique Noire'; it is Greece, Constantinople where at the times of the great medieval expansion, French kings had reigned; it is Egypt, crossroad to India and the Far East. In all these countries, where the man in the street speaks French, every European is a France (old name for French). It is Jerusalem, where the tomb of the Christ attracts pilgrims and travellers.

If one follows the axis Paris-Teheran as well as the Mediterranean region, one notices that all the countries crossed are permeated with French culture and that a larger part of the population speaks French.

With her sailors, traders, missionaries, sometimes her soldiers, France has never ceased since the Crusades to have an oriental policy, Mediterranean and African, it is one of the most ancient, constant and productive forms of her external policy and of her influence.

Both the Continental policy and maritime policy, are essential to the life of France. The Continental predominance of one country in Europe is a dan-

ger for France, the maritime hegemony of one Power is not less to be feared for the security and development of France. A State like France occupying in the world the place it does must be strong and vigorous.

War remains however an abnormal situation; in order to live, France must make Europe a habitable place, make the seas free, the French over-seas territories accessible. French policy needs measure and caution; she seeks equilibrium and order.

One is surprised that amidst the conflict of interests, national and territorial struggles, hard battles for life which characterize the modern era, France has however found in her soul reserves of energy and faith necessary to grant to her policy idealistic touch. Liberty, Equality, Fraternity, the immortal principles of the French Revolution have conquered the world. In following Napoleon, the Emperor, in his conquest of Europe, the French soldiers believed to fight for Liberty and Fraternity.

France has never forgotten her vocation of apostleship. Often in the course of her history, she felt herself led by great and generous ideas; she never thought that justice and pity are incompatible with her care of material interests and if sometimes she has suffered for that, often she has found it worthwhile.

It is not possible to give a survey of French policy without taking into account this inclination for generality and universality.

For after-war France, the first task of her policy is the German problem. Commenting on the permanent elements of French policy in Germany, Monsieur Georges Bidault, the then Foreign Minister, has summarized the most important points as follows:

First the internationalization of the Ruhr is an essential condition for the disarmament of Germany. The Allies seem to understand and follow the advices of French experience.

Second, the Saar, whose territory had for long been bound to that of France, is today economically reattached to France.

Third, decentralization of Germany. German unity has been always a prelude to invasion. But the logic of this policy comes up against Allied interests in Germany. What France fears above all, is not the re-establishment of Germany, the Germany of Goethe and Beethoven for which she has always sympathy, but the reconstitution of a militarized Germany with a heavy industry built by the coal of the basins of Ruhr and Silesia, which since one century had not stopped working in complicity with the High German Headquarters to the preparation and conduct of war, since alas! war has been for 100 years the national industry of the German Reich.

The German problem could be resolved by the constitution of an United States of Europe. If Germany offers her adhesion to it as any other country, and the Ruhr is internationalized, the danger would not exist anywhere.

This is the trend of the French policy. Since the end of the war a great step has been taken. Regional agreements as those of the five countries constituting the Benelux, France and England and the reunion of 16 countries which joined the Marshal Plan are a prelude to European unity which is by itself a

step towards the formation of an United States of the world. The French Union is equally a step and a token of world federalism. We have just to refer to a paragraph in the preamble to the Constitution of the French Republic which defines the status of French overseas territories; 'France forms with her overseas people an union founded on the equality of rights and duties without any distinctions of race or religion.' This conception of the French Union presents a striking analogy to the Commonwealth system. The Charter of the French Union ruling out systematically, any colonialist system defines the new organization thus:

'The French Union is made up of nations and people who put in common service or coordinate their efforts and resources in order to develop their respective civilizations, increase their welfare and ensure their security.'

The European Union is open to everybody, but France desires that all her members be imbued with the democratic ideal, which she believes would exclude dictatorial régimes where the individual liberty is only a myth.

The Conference at La Haye, the last sitting of which took place on 15 June 1948 has allowed people to express their desires of coordination and peace. France, was among the promoting countries of the movement.

However her foreign policy is only one aspect of the vitality of a country. To understand well the external relations of France, one should know and understand French culture the value of which is universally recognized by every civilized country. Art, Science and Philosophy are fields where France holds a privileged and living place. Bergson had opened a new era in philosophy and Pierre Joliot Curie, the great scientist, is among the first to have discovered the principles of atomic disintegration, the first experience of which was to take place in France just when the war broke out; 50 years ago, another scientist Curie had discovered the radium. By her intellectual and artistic brilliance, France holds always one of the first places in the world.

## THE FUTURE ECONOMY OF JAPAN

By L. C. JAIN

### I

THE most important and by no means the least controversial question which concerns Japan today is the shape her economy will take in the immediate future. There is no doubt, as students of Economics will tell, that the last War has given a smashing blow to the economy of Japan and her recovery is possible only with the cooperation of other countries and from many-sided effort. It is equally clear, at least to economists, that the longer the Peace Treaty is delayed the worse it is both for the standards of living in Japan and for those in the rest of the world. Whether we like it or not the economy of certain regions of the world, if not of the entire world, is one and if we attempt to divide or break it we may do so at our peril. This can be seen in Japan, China and the Philippines. It can also be seen in India, Pakistan,



Burma and Ceylon. The collaboration of these countries can go far towards raising the sinking standards of living of the peoples of Asia.

## II

According to the Potsdam Declaration (26 July 1945) 'Japan shall be permitted to maintain such industries as will sustain her economy and allow the just reparations in kind, but not those which will enable her to rearm for war. To this end, access to, as distinguished from control of raw materials shall be permitted. The eventual Japanese participation in world trade relations should be permitted.' From this Agreement between the Big Four Powers (U.S.A., U.S.S.R., U.K. and China) it is clear that the intention was *not* to condemn millions of Japanese to a mere subsistence level or below it. It is equally clear that Japan cannot maintain her present population (80 millions)—which tends to increase—on a purely agricultural economy without the growth of industry and foreign trade. Three years have passed since the Potsdam Declaration and also since the Japanese surrender, but the old Allies have not yet succeeded in producing an agreed formula as to what industries and foreign trade Japan can develop and what freedom of access she may have to raw materials without which she cannot reindustrialize her economy.

A policy decision, however, was approved by the Far Eastern Commission in the beginning of 1947 by which the peaceful needs of the Japanese people were defined 'as being substantially the standard of living prevailing in Japan during the period 1930-34.' Since then the Big Powers have shown lack of unity in their attitude towards Japan's economic future, because they have been infected with different motives of security, retribution, claims for reparations and fear of undesirable competition.

The position was succinctly summed up by General Douglas MacArthur, Supreme Commander of Allied Powers, when he said about Japan in March 1947: 'You cannot squeeze blood from a turnip. . . . we do not want to remove from Japan what the United States taxpayer will have to pay for in two or three years time.' There has been increasing appreciation of the fact that given a chance Japan can supply the needs of consumers as well as capital goods of which there is such a shortage in the world without endangering either world security or entering into unfair competition in international trade. On the other hand, if the restricted productive capacity of Japan is to find unnatural expression in only selected light industries it might not only create an unhappy situation for Japan but also retard the economic development of the neighbouring countries.

## III

To interpret Japan after the surrender is by no means easy. Even before the war, experienced scholars failed to be convincing, when they come to analyse the complex economic developments in Japan. The effects of the surrender and the policy pursued under the American Occupation are still less easy to discern inasmuch as the conditions which have prevailed have no parallel at all in the economic history of the whole world. The people of Japan

cannot do today without the help of the best economists, because the conditions are so abnormal and out of shape. Fortunately, however, while Japan has been deprived of some of her experienced and eminent political and industrial leaders, she still has in Tokyo a number of able economists whose first act after the surrender was to prepare a Five Year Economic Plan for the country. The need was realized at an early date for bringing order to the collapsed society of Japan and under strong encouragement from General MacArthur an Economic Stabilization Board was set up by the Japanese Government with a State Minister as its head in the autumn of 1946.

Great as was the devastation caused by the air raids and atomic bomb, the ruin which runaway inflation has brought to the people of Japan is even greater.

In June 1946, the wage earner's cost of living was 16 times that of 1945 and 40 times that of 1937. Thus it would appear that prices rose  $2\frac{1}{2}$  times between 1937 and 1945 in a period of 8 years—a period of war and of preparation for war, but this rise is nothing when compared to that multiplied by 16 *after* the war in a period of *one* year. To make things worse the heaviest price increase was in food which rose *fifty* times the 1937 and twenty times the May 1945 levels respectively.

Black-marketing was general, the most notorious being in American stores. By the middle of 1946 the remittances to the United States (apart, that is, from the great quantity of souvenirs shipped) exceeded the total pay of the occupation forces. The U.S. Occupation authorities introduced a special type of occupational currency called 'A' Yen currency for use in all the monetary transactions conducted by the Occupation Forces. This was, however, got round by the cumbersome but well-known device of black-marketing by barter. The U.S. authorities once again took the step of replacing the special Yen currency by Military Dollar currency. Illegal possession and counterfeiting of currency, however, became so serious that all occupation scrip had again to be called in on 10 March, 1947.

During January 1946 the Japanese note issue expanded by 150 million yen a day and at the close of the month was almost 60,000 yen which was double that at the time of Surrender. In February, 1946 the Japanese Government adopted extraordinary measures, such as enforcement of banking moratorium new note issue replacing the old, calling for all old notes by March in exchange for less than their face value in new notes, the difference being credited to frozen account. All deposits were frozen, the maximum withdrawal of 500 yen per annum per person being allowed. But this scheme failed because of its imperfection. Additional withdrawals were allowed for all sorts of personal purposes e.g. school fees, wedding etc., and for all kinds of business expenses. Notes of denominations up to five yen were exempted and they quickly went to a premium and then disappeared from circulation. The moral of the whole episode was that without drastic measures powerful anti-social elements could not be brought to book, they remained resilient and unbroken. By the end of May 1946 the Japanese currency in circulation was 36,000 million yen and at the beginning of November 1946 it had risen to a record figure

of 70,000 million. The year 1947 opened with over 90,000 million yen, and in May 1947 it exceeded the figure of 125,000 million yen while in May 1948 it was in the neighbourhood of 220,000 million yen.

#### IV

Another very serious problem with which the Japanese were faced after the surrender was the shortage of food. Such food surveys as were conducted revealed that the well-known law of economics called Engel's Law had not operated in Japan. According to this law the proportion of a family's expenditure on food increases as income decreases. This did not happen in the abnormal conditions of Japan in which many people were either under-nourished or on the line of starvation. The food problem in Japan was attacked from two sides. General MacArthur got immediately from U.S.A. substantial imports of foodstuffs which at once gave much needed relief and earned for the Americans the everlasting gratitude of the Japanese people. At the same time Japan redoubled her own efforts in the matter of production of more food at home and unlike India the Grow More Food campaign in Japan was real and yielded remarkably good results. The rice crop of 1947 was as much as the peak production during the war while the new potato crop was a record reached for the first time. In 1947 a Japanese was to have 1,580 calories per day compared with 2,300 before the War and nearly 2,000 calories during the War. Difficulties of transport and runaway inflation, however, aggravated the problem of food: 'Aid to Japan cannot be expected on a scale sufficiently great to overcome the maldistribution and inflation within Japan' wrote General MacArthur in a letter dated 22 March 1947 to the Japanese Prime Minister, Yoshida. The Japanese Cabinet again addressed themselves to the problem with the aid of its Economic Stabilization Board as well as outside economic experts.

Along with the problem of food there was also the problem of acute shortage of houses and cloth. As for houses there were 8,52,000 new constructions in Japan in two years, ending 31 December 1947. This represented 34 per cent. of the war damaged houses but it did not satisfy the Japanese authorities who regarded the progress as one at a snail's pace. As for cloth, production of Garabo (Japanese *khaddar*) was undertaken on 1,000,000 spindles for domestic consumption. At the same time, the cotton textiles industry was stepped up. Early in 1946 only just over 2 million spindles (compared with 12 million spindles before the War) were installed, in August 1946. The spindles operating numbered 2.5 millions, while in 1947 the figure of 3 million spindles was reached. For 1948 the expectation is 3½ million spindles, the production of cotton textile goods in February, 1948 was 29,496,261 sq. yards or 360,000,000 sq. yards in a year.

#### V

In August 1946, after a year of peace, some comparisons were made with monthly average production for 1930 to 1940. This showed that manufacturing and mining had fallen to one-third, metals to a quarter, textiles to one-

sixth, chemicals to two-fifths, printing, glass and cement to one-third, beer and sake (Japanese drink) to one-fifth and vehicles to seven-eighths. Production of coal with the same as pre-war labour was 1,700,000 tons a month not much more than one-third the 1940 figure and half the 1936 figure.

As a result of determined effort on the part of the Japanese manufacturers and the aid given to them both by SCAP and the Japanese authorities there has been certainly some, though slow, progress in industrial production during 1947 as the following statistics will reveal:—

Base 1931-33 = 100						
Commodity	Index No. of Production in December 1947					
General Index .. .. .	..	..	..	..	..	43.2
Caustic Soda .. .. .	..	..	..	..	..	52.6
Silk Fabrics .. .. .	..	..	..	..	..	7.7
Woollen Fabrics.. .. .	..	..	..	..	..	6.4
Cotton Fabrics .. .. .	..	..	..	..	..	18.7
Soda Ash .. .. .	..	..	..	..	..	51.7
Pig Iron .. .. .	..	..	..	..	..	27.9
Petroleum .. .. .	..	..	..	..	..	65.1
Power .. .. .	..	..	..	..	..	158.7
Gas .. .. .	..	..	..	..	..	81.8
Coal .. .. .	..	..	..	..	..	119.9
Sheet Glass .. .. .	..	..	..	..	..	55.7
Cement .. .. .	..	..	..	..	..	47.7
Ammonium Sulphate .. .. .	..	..	..	..	..	157.0

Special emphasis—greater than ever before—has been laid however, in post-war Japan on the organization and development of cottage industries. To give only two examples of small industries specially suited for India, there is first the celluloid industry in which the capital required is small, machinery simple and the returns substantial. The pre-war exports of Japanese celluloid goods aggregated 27.5 million yen and the pre-war production of sheet celluloid was 1.2 million kilograms per month. In early 1948 the monthly production was 1,20,000 kilograms. Another industry which has been specially encouraged as a home industry is clocks works for the rehabilitation of Japanese repatriates from outside Japan. In one Japanese village 369 male and 47 female workers were employed in the production of clocks and they produced in one month 10,000 clocks and 30,000 per month thereafter. The workers were all sons and daughters of farmers and about 20 years old.

## VI

The main characteristics of the post-war foreign trade of Japan are its shrinkage and lopsidedness. In the first year after the surrender, U.S.A. supplied

nearly all of Japan's imports and received two-thirds of her exports. During 1947 Japan's trade with other Asian countries was extremely unbalanced, as her exports to those countries formed 66 per cent. of her total exports while her imports from them were only 8 per cent. of the total imports. The Netherlands East Indies was the best customer for Japanese goods, taking 19.36 per cent. while China and Hongkong ranked third and fourth with 7.86 and 7.53 per cent. respectively. They were followed by India (5.51 per cent.), Turkey (2.81 per cent.), Burma (2.29 per cent.) and Malaya (1.99 per cent.). Japan's exports comprised cotton yarn-raw silk, rayon yarn, silk fabrics, and metals, while the imports included raw materials like raw cotton, crude rubber and salt.

The following statistics reveal the latest trends of Japanese trade with various countries:

*Japan's Exports and Imports in January 1948*

	Exports	Imports
U.S.A. .. .. .	88.23 %	10.85 %
China .. .. .	.68	2.35
India .. .. .	.29	.30
Korea .. .. .	4.23	9.80
Hongkong .. .. .	.41	14.35
N.E.I. .. .. .	.76	39.55
Philippines .. .. .	2.02	.15
Egypt .. .. .	2.15	3.74

The low position which India occupies at present in her trade with Japan is apparent. The Japanese businessmen are eager to do more trade with India and no opportunity should be missed to promote Indo-Japanese trade which must be to the mutual advantage of both the countries.

## VII

The economic tasks before the Japanese are heavy and they are conditioned by a number of limiting factors such as reduction in Japan's territorial limits, poverty of raw materials, loss of trained business and political leaders and a high density of population (500 persons per square mile). But, on the other hand, there are no better disciplined people in the East than the Japanese who in education and character stand high, the level of literacy in Japan being cent per cent.

The Japanese are alive both to the nature and intensity of their problems and they have a well-equipped Ministry of Economic Affairs which is the most hard worked and the most influential organ of Japanese Government. Quite recently (10 March 1948) the policy of the Japanese Cabinet was enunciated by the present Prime Minister, Dr. Hitoshi Ashida in very clear terms as follows:—

1. The major mission of the new Cabinet dwells in economic reconstruction and acquisition of foreign credits.

2. Conquest of poverty and inflation through intensified production.
3. Increased production through rational cooperation among capital, management and labour and rationalization of management.
4. Production expansion through capital accumulation by mobilizing the resources of the masses.
5. Acquisition of commodities from overseas resources to supplement Japan's own efforts towards production expansion.

## GANDHIJI'S IDEAS ON SOCIAL INTEGRATION

By NIRMAL KUMAR BOSE

GANDHIJI'S efforts for political liberation formed only one part of his endeavour to lift India from her present lowly condition. He knew fully well that, although political freedom was the first condition of growth, it would mean nothing if it did not subsequently result in complete social freedom for all those who are today looked down upon as lowly on account of their colour, or poverty or for any other reason.

India is today politically free, but Gandhiji is no longer there to guide us by his wise counsel. It is therefore all the more necessary that we should pay close attention to his thoughts on the subject of social equality, and also the means by which he proposed to reach the goal, so that it may help us in our own endeavour through the difficult times which are now ahead of us.

### ECONOMIC EQUALITY

Gandhiji was firmly of opinion that social equality must be based upon equality of economic opportunity. So long as one class lives upon the toil of another, it is inevitable that those who sweat and serve as slaves for the rest cannot rise to the full stature of their manhood. The remedy was simple in his opinion. It was the duty, he said, of the privileged classes to 'get off the back' of the so-called lower classes. This could be done if every man subjected himself voluntarily to the Law of Bread Labour. By this law is meant that every able-bodied man must produce something to satisfy the material needs of his body by means of manual labour. Intellectual labour, he held, could never be a substitute for body labour; and in his characteristic way, he once wrote: 'The needs of the body must be supplied by the body. "Render unto Caesar that which is Caesar's" perhaps applies here well.'

The question naturally arises, will this not mean going back to the days before the division of labour and of specialization, and a consequent reduction of the standard of life to a very low level or even of barbarism? Gandhiji maintained that this need not be so. Each village unit was to be self-sufficient in the matter of its basic needs of life; but after that need had been satisfied, it could go in for voluntary co-operation with other

<sup>1</sup> *Harijan*, 29 June 1935, P. 156

social groups to the farthest extent possible. That circle of interdependence between free units might reach world-wide proportions. If interdependence smacked of bossing by one group over another, any unit could at once fall back upon its own local resources for the sustenance of life and carry on *Satyagraha* until once more, equality had been restored at the top. But besides this, Gandhiji also maintained that if every intellectual produced as much as possible by manual labour also, it would improve the quality of his intellectual output at the same time. The principal point was that intellectual work would naturally go on, but it would be its own reward. It would not purchase for the individual, freedom from the duty of production by manual labour. 'This gospel of work through which equality will come in society was one of the fundamental teachings of Gandhiji, a thing to which he tried to give practical shape by his insistence upon every man in India taking up the sacred task of spinning with the help of the *charkha*. In a famous controversy with Garudev Rabindranath Tagore, he wrote:

'Why should I, who have no need to work for food, spin?' may be the question asked. Because, I am eating what does not belong to me. I am living on the spoliation of my countrymen. Trace the course of every pice that finds its way into your pocket, and you will realize the truth of what I write.....

I must refuse to insult the naked by giving them clothes they do not need, instead of giving them work which they sorely need. I will not commit the sin of becoming their patron, but on learning that I had associated in impoverishing them, I would give them neither crumbs nor cast-off clothing, but the best of my food and clothes and associate with them in work.....

God created man to work for his food and said that those who ate without work were thieves!

Similarly in answer to a correspondent he once wrote:

What does the correspondent mean when he refers to the 'lower orders who know no responsibility and can anyway make both ends meet'? Is he sure that the 'lower orders know no responsibility'? Have they no feelings, are they not injured by an angry word? In what sense are they lower except in their poverty for which we the middle class are responsible? And may I inform my correspondent that the 'lower orders' not only do not 'make the two ends meet' but the majority of them are living in a state of semi-starvation? If the middle class people voluntarily suffer losses for the sake of the 'lower classes' it would be but a tardy reparation for their participation in their exploitation. It is this arrogation of superiority and consequent callousness to the sufferings of the so-called lower classes that keeps us from Swaraj and that retards the progress of the life-giving *charkha*. I invite the

<sup>1</sup> *Young India* 13 October 1921, P.325.

correspondent to think in terms of the masses and by taking to the *charkha* identify himself with his less fortunate country-men.

This was the idea that Gandhiji held in the days of the Non-co-operation Movement. Later on, he made his position clearer by stating that society needed the services of the sweeper and the lawyer alike. And if that was so, the best thing was that each functionary, whose services were considered necessary by society, should get equal wages. As late as March 1947, he said in the course of one of his post-prayer speeches in Noakhali that he had no doubt that if India was to live an exemplary life of independence which would be the envy of the world, all the *bhangis*, doctors, lawyers, teachers, merchants and others would get the same wages for an honest day's work. Indian society may never reach the goal but it was the duty of every Indian to set his sail towards that goal and no other if India was to be a happy land.

Explaining the implications of economic equality, which he had described in a pamphlet on the constructive programme as 'the master key to non-violent independence' he wrote:

The real implication of equal distribution is that each man shall have the wherewithal to supply all his natural wants and no more. For example, if one man has a weak digestion and requires only a quarter of a pound of flour for his bread and another needs a pound, both should be in a position to satisfy their wants. To bring this ideal into being the entire social order has got to be reconstructed. Any society based on non-violence cannot nurture any other ideal. We may not perhaps be able to realise the goal, but we must bear it in mind and work unceasingly to near it. To the same extent as we progress towards our goal we shall find contentment and happiness, and to that extent too shall we have contributed towards the bringing into being of a non-violent society.

It is perfectly possible for an individual to adopt this way of life without having to wait for others to do so. And if an individual can observe a certain rule of conduct, it follows that a group of individuals can do likewise. It is necessary for me to emphasize the fact that no one need wait for anyone else in order to adopt a right course. Men generally hesitate to make a beginning if they feel that the objective cannot be had in its entirety. Such an attitude of mind is in reality a bar to progress.<sup>1</sup>

#### MEANS OF BRINGING ABOUT ECONOMIC EQUALITY

But does this mean that the world would have to depend only upon the initiative and goodwill of well-intentioned people in order to bring about the required change? Gandhiji definitely said, no. His task, as he repeated time and again, was to teach the common man that he was the maker of his own destiny.

<sup>1</sup> *Young India*, 17 July 1924, P. 240.

<sup>2</sup> *Harijan*, 16 March 1947, P. 67.

<sup>3</sup> *Harijan*, 25 August 1940.



Q. If you will benefit the workers, the peasant and the factory-hand, can you avoid class-war?

A. I can, most decidedly, if only the people will follow the non-violent method. By the non-violent method, we seek not to destroy the capitalist, we seek to destroy capitalism. We invite the capitalist to regard himself as a trustee for those on whom he depends for the making, the retention and the increase of his capital. Nor need the worker wait for his conversion. If capital is power, so is work. Either power can be used destructively or creatively. Either is dependent on the other. Immediately the worker realizes his strength, he is in a position to become a co-sharer with the capitalist instead of remaining his slave. If he aims at becoming the sole owner, he will most likely be killing the hen that lays golden eggs. Inequalities in intelligence and even opportunity will last till the end of time. A man living on the banks of a river has anyday more opportunity of growing crops than one living in an arid desert. But if inequalities stare us in the face the essential equality too is not to be missed. Every man has an equal right to the necessities of life even as birds and beasts have. (This means that Gandhiji thought that natural inequalities, as between individual and individual, would continue. But horizontal differences should never lead to vertical differences, i.e. to the creation of privileged classes living at the expense of classes deprived of equal opportunity—N.K.B.)

And since every right carries with it a corresponding duty and the corresponding remedy for resisting an attack upon it, it is merely a matter of finding out the corresponding duties and remedies to vindicate the elementary equality. The corresponding duty is to labour with my limbs and the corresponding remedy is to non-co-operate with him who deprives me of the fruit of my labour. And if I would recognize the fundamental equality, as I must, of the capitalist and the labourer, I must not aim at his destruction. I must strive for his conversion. My non-co-operation with him will open his eyes to the wrong he may be doing. Nor need I be afraid of someone else taking my place when I have non-co-operated. For I expect to influence my co-worker so as not to help the wrong-doing of the employer.

This kind of education of the mass of workers is no doubt a slow process, but as it is also the surest, it is necessarily the quickest<sup>1</sup>.

#### INTER-CASTE MARRIAGE

Gandhiji often gave expression to the strongest feelings against the vile custom of untouchability.

Hinduism has sinned in giving sanction to untouchability. It has degraded us, made us *pariahs*. Even the Mussalmans have caught the sinful contagion from us.<sup>2</sup>

<sup>1</sup> *Young India*, 26 March 1931, P. 49.

<sup>2</sup> *Young India*, 27 April 1921, P. 136

The 'touch-me-not'ism that disfigures the present day Hinduism is a morbid growth. It only betrays a woodenness of mind, a blind self-conceit. It is abhorrent to the spirit of religion and morality.<sup>1</sup>

I do not want to be reborn. But if I have to be reborn, I should be born an untouchable, so that I may share their sorrows, sufferings, and affronts levelled at them, in order that I may endeavour to free myself and them from that miserable condition. I, therefore, pray that if I should be born again, I should do so not as a *brahmana*, *kshatriya*, *Vaishya*, or *shudra* but as an *atishudra*.<sup>2</sup>

Gandhiji had thought long and deeply over the problem of caste in Hindu society, and he had been able to discover an element of truth in the ancient ideal of *varnashrama*, and he tried to rescue it from the unhealthy accretions which had gathered round it in subsequent ages. He wrote:

I believe that every man is born in the world with certain natural tendencies. Every person is born with certain definite limitations which he cannot overcome. From a careful observation of those limitations the law of *varna* was deduced. It establishes certain tendencies. This avoided all unworthy competition. While recognizing limitation the law of *Varna* admitted of no distinctions of high and low; on the one hand it guaranteed to each the fruits of his labours and on the other it prevented him from pressing upon his neighbour. This great law has been degraded and fallen into disrepute. But my conviction is that an ideal social order will only be evolved when the implications of this law are fully understood and given effect to.

Q. Do you not think that in ancient India there was much difference in economic status and social privileges between the four *varnas*?

A. That may be historically true. But misapplication or an imperfect understanding of the law must not lead to the ignoring of the law itself. By constant striving we have to enrich the inheritance left to us. This law determines the duties of man. Rights follow from a due performance of duties.<sup>3</sup>

I consider the four divisions alone to be fundamental, natural and essential. The innumerable sub-castes are sometimes a convenience, often a hindrance. The sooner there is fusion the better.<sup>4</sup>

When I said that removal of untouchability did not include the removal of the restrictions on interdining and intermarriage, I had the general Hindu public in mind, not the Congress workers or Congressmen. These have to abolish untouchability from every part of their life.<sup>5</sup>

There should be a breach in the double wall of caste and province. If India is one and indivisible, surely there should be no artificial divi-

<sup>1</sup> *Harijan*, 20 April 1934, P. 73.

<sup>2</sup> *Young India*, 4 May 1921, P. 144.

<sup>3</sup> *Selections from Gandhi*, 4 233

<sup>4</sup> *Young India*, 8 December 1920

<sup>5</sup> *Harijan*, 1 February 1942, P. 23

sions creating innumerable little groups which would neither interdine nor intermarry. There is no religion in this cruel custom. It would not do to plead that individuals cannot make the commencement and that they must wait till the whole society is ripe for change. No reform has ever been brought about except through intrepid individuals breaking down customs or usages. And after all what hardships can the school-master suffer if he and his daughters refused to treat marriage as a marketable transaction instead of a status or sacrament, which it undoubtedly is. I would, therefore, advise my correspondent courageously to give up the idea of borrowing or begging and to save the four hundred rupees he can get in his life policy by choosing in consultation with his daughter a suitable husband no matter to what caste or province he belongs?<sup>1</sup>

Q. Does the Congress Programme for the abolition of untouchability include interdining and intermarriage with Harijans?

A. So far as I know the Congress mind today there is no opposition to dining with Harijans. But speaking for myself, I have said that we have all to become Harijans today or we will not be able to purge ourselves completely of the taint of untouchability. I, therefore, tell all boys and girls who want to marry that they cannot be married at Seva-gram Ashram unless one of the parties is a Harijan. I am convinced that there is no real difficulty in this. All that is needed is a change of outlook.<sup>2</sup>

#### INTER-RELIGIOUS MARRIAGE

From this Gandhiji advanced to the ideal of free inter-religious marriage. He was clearly of opinion that religion was absolutely a personal and private affair.<sup>3</sup> Therefore there could be no bar to marriage between persons professing different religions.

Q. You advocate intercaste marriage. Do you also favour marriage between Indians professing different religions? Should they declare themselves as belonging to no denomination, or can they continue their old religious practices and yet intermarry? If so, what form should the marriage ceremony take? Is it to be a purely civil function or a religious function? Do you consider religion to be exclusively a personal matter?

A. Though Gandhiji admitted that he had not always held the view, he had come to the conclusion long ago that an inter-religious marriage was a welcome event whenever it took place. His stipulation was that such connection was not a product of lust. In his opinion it was no marriage. It was illicit intercourse. Marriage in his estimation was a sacred institution. Hence there must be mutual friendship, either party having equal respect for the religion of the other. There was no ques-

<sup>1</sup> *Harijan*, 25 July 1936, P. 192

<sup>2</sup> *Hindustan Standard*, 5 January 1946

<sup>3</sup> *Selections from Gandhi*, Pp. 645, 791—3

tion in this of conversion. Hence the marriage ceremony would be performed by the priests belonging to either faith. This happy event could take place when the communities shed mutual enmity and had (equal?) regard for the religions of the world.<sup>1</sup>

Q. You say that you are in favour of inter-religious marriage, but at the same time you say that each party should retain his or her own religion and, therefore, you said, you tolerated even civil marriages. Are there any instances of parties belonging to different religions keeping up their own religions to the end of their lives? And is not the institution of civil marriage a negation and does it not tend towards laxity of religion?

A. Gandhiji said that the questions were appropriate. He had no instances in mind where the parties had clung to their respective faiths upto death, because these friends whom he knew had not yet died. He had, however, under his observation men and women professing different religions and each clinging to his or her own faith without abatement. But he would go so far as to say that they need not wait for discovery of past instances. They should create new ones so that the timid ones may shed their timidity.

As to civil marriages, he did not believe in them, but he welcomed the institution of civil marriage as a much needed reform for the sake of reform.<sup>2</sup>

#### TOLERANCE

The modern world seems to favour the regimentation of beliefs rather than the encouragement of freedom of thought. Gandhiji stood foursquare against this totalitarian attitude. The reason underlying his belief in cultural democracy is best given in his own words.

I do not like the word tolerance, but could not think of a better one. Tolerance may imply a gratuitous assumption of the inferiority of other faiths to one's own, whereas *Ahimsa* teaches us to entertain the same respect for the religious faiths of others as we accord to our own, thus admitting the imperfection of the latter. The admission will be readily made by a seeker of Truth, who follows the law of love. If we had attained the full vision of Truth, we would no longer be mere seekers, but have become one with God, for Truth is God. But being only seekers, we prosecute our quest, and are conscious of our imperfection. And if we are imperfect ourselves, religion as conceived by us must also be imperfect. We have not realized religion in its perfection, even as we have not realized God. Religion of our conception, being thus imperfect, is always subject to a process of evolution and re-interpretation. Progress towards Truth, towards God, is possible only because of such

<sup>1</sup> *Harijan*, 16 March 1947, P. 63.

<sup>2</sup> *Harijan*, 16 March 1947, P. 67.

evolution. And if all faiths outlined by men are imperfect, the question of comparative merit does not arise. All faiths constitute a revelation of Truth, but all are imperfect, and liable to error. Reverence for other faiths need not blind us to their faults. We must be keenly alive to the defects of our own faith also, yet not leave it on that account, but try to overcome those defects. Looking at all religions with an equal eye, we would not only not hesitate, but would think it our duty, to blend into our faith every acceptable feature of other faiths.

Even as a tree has a single trunk, but many branches and leaves, so there is one true and perfect Religion, but it becomes many, as it passes through the human medium. The one Religion is beyond all speech. Imperfect men put it into such language as they can command, and their words are interpreted by other men equally imperfect. Whose interpretation is to be held to be the right one? Everybody is right from his own standpoint, but it is not possible that everybody is wrong. Hence the necessity of tolerance, which does not mean indifference to one's faith, but a more intelligent and purer love for it. Tolerance gives us spiritual insight, which is as far from fanaticism as the north pole from the south. True knowledge of religion breaks down the barriers between faith and faith.<sup>1</sup>

At a conference held in Sabarmati between men of different faiths, Gandhiji likewise said:

After long study and experience, I have come to the conclusion that (1) all religions are true; (2) all religions have some error in them; (3) all religions are almost as dear to me as my own Hinduism in as much as all human beings should be as dear to one as one's own close relatives. My own veneration for other faiths is the same as that for my own faith; therefore no thought of conversion is possible. The aim of the Fellowship should be to help a Hindu to become a better Hindu, a Mussalman a better Mussalman, and a Christian a better Christian. The attitude of patronizing toleration is false to the spirit of International Fellowship. If I have a suspicion in my mind that my religion is more or less true, and that others' are more or less false, instead of being more or less true, then, though I may have some sort of fellowship with them, it is of an entirely different kind from the one we need in the International Fellowship. Our prayer for others must be not 'God, give him the light that Thou hast given me' but 'Give him all the light and truth he needs for his highest development.' Pray merely that your friends may become better men, whatever their form of religion.

Nevertheless, your experience may become a part of their experience, without your knowing it.<sup>2</sup>

<sup>1</sup> *From Yeravda Mandir* P. 55.

<sup>2</sup> *Sabarmati* 1928, Pp. 17—19

## SOCIAL INTEGRATION

This was the society of Gandhiji's dreams. It was to be reared on the power of the common man who had learnt to build up the new structure by means of his body labour duly performed, and of satyagraha undertaken in order to defend it from hostile forces which tended to disrupt the unity of the human family.

In that society, there was to be no regimentation of beliefs, nor an equality brought about by the subordination of the higher values of life. The latter were to flower fully in the individual's soul, after it had been purified of the dross which produced inequality and exploitation. There was to be mutual respect between culture and culture. They would all thrive in harmony, and thus create the optimum conditions for the individual's material and spiritual growth.

## CEYLON IN ASIAN CULTURE

*By C. W. W. KANNANGARA*

FEW Asian peoples have been in the habit of looking towards the West for inspiration in matters cultural as have the Sinhalese been during the past century or two. The incessant struggle which this small nation has had to wage for three centuries with successive European peoples, beginning with the Portuguese in the early 16th century, who came here for commercial and territorial gains, and the loss to the British, in 1815, of the last vestige of independence, resulted in the decay or disappearance of the institutions which fostered the national culture. Many Sinhalese during the 19th century were therefore unaware that their ancestors had, to their credit, cultural achievements of which they could justly be proud. This condition, a natural outcome of political subservience, was intensified by the system of education introduced during the early period of British rule and, till very recently, Sinhalese language was taboo in those educational institutions which trained youths for subordinate posts under Government or mercantile enterprises managed by Europeans. Everything native was despised and the ambition of the average young man was to imitate, within the limitations imposed by his environment, the modes of European life. Very little, however, of what really is of significance in the great culture of the West was imbibed and assimilated by the Sinhalese. The so-called educated Sinhalese of a generation ago resembled in his intellectual and cultural equipment, a tree forcibly removed from the soil in which it had been accustomed to grow but had failed to take root in the soil in which it had been planted anew.

But a people cannot completely cut itself adrift from its cultural moorings, however much it may try to do so, and the memories implanted in the national consciousness during twenty centuries of civilized existence cannot be eradicated by the experience, however intense it may be, of a century or two. The great majority of the Sinhalese people remained faithful to Buddhism, the religion in the glorification of which their ancestors had, in a dim past created masterpieces of art and architecture for the most part buried in the jungle then,

but about which those versed in ancient lore could read in their historical literature, the very existence of which was known to but a few. The extensive Pali literature embodying the doctrines and the history of Buddhism was preserved in palm-leaf manuscripts in temples, though very few were able, or cared to read and understand them and still less to practise the lofty ethics enshrined in these venerable tomes. Very little of the once extensive Sinhalese literature had survived the ravages of time but the monks in the Buddhist temples and a few laymen who pursued knowledge with little hope of material advancement, continued to study what was available. Certain other elements of the ancient culture, including stories about the national heroes and saints of the past had passed into folk-lore which provided the average peasant with the only cultural fare he had a hope of being nourished with. The scientific curiosity of European scholars had resulted in some investigations into the history and religions of the island, but the results of these investigations were known to only a handful of the people in the island itself, and hardly affected their outlook or life.

It was while the cultural life of the vast majority of the people of Ceylon was in this condition that the great awakening of the people of Asia started during the closing decades of the last century and, steadily gaining momentum, became fully manifest in the opening decades of the present century. The story of this awakening is a matter of history and has been dealt with by a host of distinguished writers; today the world has been forced to take account of it. The historic gathering of distinguished representatives from each and every Asian land, in Delhi last year can truly be considered as a culminating point in the awakening of the people of Asia, and it is a matter for gratification that Ceylon, famed in Asian history and legend, had been able to take in it the part to which she was entitled by reason of the rôle she has filled in the history of the culture of Asia as a whole.

It was not long before the effect of the awakening of Asia was felt in the island of Ceylon. Its geographical position, if not for any other reason, could not keep it isolated from the main currents of thought in the rest of Asia and the national awakening in Ceylon followed very much the same course as it did in India, within of course a more restricted sphere. And in common with India and a number of other Asian lands, Ceylon has at last attained its cherished goal of the people managing their own affairs. In the process of this national awakening in Ceylon, too, the struggle for political emancipation went hand in hand with that for cultural self-realization, so much so that it can be said that one movement cannot be understood without reference to the other. Placed as Ceylon is in the same position as a number of other Asian countries, she has much to learn from the experience of those countries, and conferences like the one held last year are bound to be of the utmost importance in solving the many cultural problems which arise in a period of transition like this. It will thus be necessary for her to look to India and other Asian countries for many matters cultural, for which hitherto she looked to Europe. At a time when new cultural links are likely to be forged with many Asian lands, it will be useful to contemplate that these cultural contacts are not being established

now for the first time in history but that, during the course of the centuries, there was brisk cultural intercourse between this island and a number of other Asian lands, just as there was commercial intercourse between them, and that these contacts were of mutual benefit. It may therefore not be out of place to mention here a few notable examples of the cultural intercourse which the people of Ceylon had with their Asian neighbours in the past.

Ceylon—or Tamraparni as it was known in the earliest times—was colonized by a people of Aryan speech from North India at the very time that one of the greatest spiritual and cultural movements in the history of mankind was transforming the ancient civilization of the land and making its influence felt over the whole of Asia and beyond. I mean the rise and spread of Buddhism, which faith was propagated in the island through the missionary zeal of the great Asoka. The acceptance of Buddhism by the Sinhalese people in the third century B.C. and the zeal which they manifested in its cause gave shape to the subsequent course of the history of the island and decided the manner of its cultural evolution. The various architectural and artistic motives which the early Buddhist missionaries introduced into the island were developed by the Sinhalese, stamping them with their own individuality until they arrived at an efflorescence which in certain instances surpassed the heights they attained in the land of their origin. The Sinhalese *stupas*, for instance, out-sized any of their class in ancient India and the system of irrigation was developed in Ceylon to such a high pitch in very early times that certain parts of the mother country appear at times to have received lessons from her in this branch of human endeavour.

The people of Ceylon in ancient times continued to keep touch with India as the fountain head of their religion and culture and have left enduring memorials of their pilgrimages to such religious centres as Buddha Gaya, Sarnath and Nagarjunakonda (the ancient Sri-parvata). At these sacred shrines, the ancient pilgrims from Ceylon no doubt met and exchanged ideas with co-religionists from other Asian lands and thus broadened their knowledge of the world.

While, in India itself, influences from outside as well as developments from within profoundly changed the original aspect of Buddhism, in its doctrines as well as in its ritual, the people of sea-girt Lanka preserved the original scriptures as well as the practical observances; and according to Ceylonese tradition, when Indian Buddhists at a later age desired to obtain knowledge of these they had to come to the great *viharas* of Anuradhapura to receive instruction therein. Thus we find Buddhagosa coming to Ceylon from India in the first century of the present era and translating into Pali the commentarial literature which then existed in Sinhalese. The labours of Buddhagosa, and other religious teachers from India, on the other hand, settled the doctrines of that form of Buddhism which now prevails in Ceylon as well as in Burma, Siam and Cambodia.

The development of the Mahayana form of Buddhism, which was destined to make great conquests in China, Japan, Tibet, and Indonesia, was of momentous significance in the cultural history of Asia and in this great



movement too, Ceylon had a considerable share. The chief disciple of the great Nagarjuna, Aryadeva, who was himself one of the principal expounders of the Madhyamika philosophy and is known today in Mahayana lands as one of the 'eight suns which illuminated the world' is said to have been a scion of the Sinhalese royal family. Indian teachers sojourned in Ceylon on their way to East Asia. The eminent Trantrist Amogha, who went to China in A.D. 719 and revisited India and Ceylon in 741 A.D. elaborated his doctrines in this island.

The developments in art which took place at different periods in India made their influence felt in Ceylon. The earliest sculptures found in the island contain motives reminiscent of the art of Bharut and Sanchi, and Andhra school, in particular, exerted great influence on the development of Sinhalese sculpture. Several specimens of Andhra reliefs have been discovered at various places in Ceylon and in this connexion it may be mentioned that a life size image of Buddha, of South Indian marble, was thrown up by a bull-dozer in a government farm in the Anuradhapura district last year—the only Buddha image, I believe, which had occasion to come to grips with a bull-dozer anywhere in the world.

Pallava and Gupta schools, in their turn, gave inspiration to Sinhalese artists in the creation of masterpieces which today receive the fervent admiration of discerning critics. An actual example of a sculpture belonging to the Pallava school of art has also been found in Ceylon. Thus, it will be seen that Ceylon has been one with India in the past in matters artistic.

In literature, too, Ceylon contributed its share to the sum total of Indian achievement. Apart from the products of Sinhalese literature, whose appeal must necessarily be limited to the inhabitants of the island, Sanskrit literature is indebted to the Sinhalese poet Kumaradasa for the *Janakiharana*, an epic mentioned in the same breath as the works of the immortal Kalidasa by so discerning a literary critic as Rajasethara. Space does not permit me to dwell upon other aspects of cultural connexions between this island and India. But it can be said without hesitation that culturally, linguistically, and racially, Ceylon is a province of India and that a study of the history or culture of India would not be complete if it ignores Ceylon.

Going further afield, Burma and Ceylon have been profoundly influenced by each other's culture. When, in the 11th century, Vijayabahu of Ceylon wanted to restore Buddhism to its pristine position after a period of stagnation under Chola rule, it was to King Anawratha of Pagon that he appealed to assist him by sending here a number of learned monks and sacred writings. Thus revived and gaining in strength, the Buddhist Church of Ceylon, by reason of its historic past, was looked upon by the peoples of further India as a model to copy. Burmese monks who visited Ceylon in the twelfth century and received the ordination here returned to their own land and founded a Sinhala Sangha there. The religious mission sent by Dhamaceti of Pegu and the important consequences which resulted therefrom for the religious life of the Burmese people are well-known.

When the Thai people, in the thirteenth century, founded a kingdom and

adopted Theravada Buddhism as their national faith it was to Ceylon that they looked for guidance in organizing their religious institutions. A learned hierarch was invited from Ceylon and received with great honours. Under his guidance, the Siamese Buddhist Church was modelled on the lines of the Sangha in Ceylon. Later, a number of monks from Siam, the Laos country and Cambodia, came to Ceylon, in the fifteenth century, learned in the Pali scriptures under Sinhalese teachers and returning to their lands, founded a sect known as the Sinhala Sangha, which played a prominent part in the religious life of those countries. The ancient shrines in Ceylon were regarded with great veneration by the Buddhists of further India and images by Sinhalese artists found their way into these lands. A Buddha image of particular sanctity was taken from Ceylon to Siam in the thirteenth century and by the name of the Sinhala-patima finds frequent mention in the historical writings of Siam. It is still preserved and worshipped in the temple of Bangkok.

The debt which Siam owed to Ceylon was repaid in great measure when, towards the close of the eighteenth century, Siamese monks came to the island at the invitation of the Sinhalese king of the day and, re-organizing the spiritual life of the monks, greatly helped in the revival of Buddhism after a prolonged period of decadence resulting from the Portuguese wars. The religious community then founded is still known as the Siamese Nikaya and wields the greatest influence among the Buddhists of Ceylon of the present day. Subsequently, a group of monks from Ceylon went to the Burmese capital, Amarapura, received ordination there and returning to their native land founded a sect known as Amarapura Nikaya. Still another sect of Sinhalese Buddhist monks, the Ramanna Nikaya, received its name for the reason that its founders obtained ordination in Pegu. All the three sects of Sinhalese monks of the present day are thus named after places in further India. They, as well as the monks of Theravada countries in further India can, however, trace their spiritual descent to the ancient Mahavihara of Anuradhapura.

The annals of China testify to the intercourse, commercial as well as cultural, which existed in olden days between that land and Ceylon. The accounts left by the Chinese pilgrims, Fa-Hien, Hsien-Tsang and others, are well known. These pilgrims included Ceylon in their itinerary and carried to their native lands religious books, sacred relics and images from this island. It is reported that nuns from Ceylon went to China and did missionary work among the women in that land.

In the days when the light of Buddhism was flickering in the land of its birth, those of India who were anxious to follow the doctrines of the great Teacher came to Ceylon and received hospitality at the hands of the Sinhalese people. One such Indian devotee came to Ceylon in the fourteenth century, studied the doctrines of Buddhism there and proceeding to Korea was greatly honoured by the Emperor of that country. Another, having sojourned for a time in Ceylon left for the snowy land of Tibet and spread among the Lamas some knowledge of Buddhism as it existed in Ceylon. Religious teachers from Ceylon, too, made attempts to revive Buddhism in the land of its birth. Dharmakirti, a learned hierarch who flourished in the

fourteenth century renovated a temple at Dhanyakataka in South India, now known as Amaravati, and also founded a shrine at Kanchi.

With the lands of western Asia, too, Ceylon had frequent contacts, mainly of a commercial character. But a commercial contact without some influence culturally is hard to imagine. There was a colony of Persian Nestorian Christians at Anuradhapura in the sixth century. The Sinhalese kings exchanged embassies with the Caliphs of Baghdad and it is interesting to mention in this connexion that among the antiquities recently unearthed at Ruwanvalisaya, the most venerated shrine of the Sinhalese Buddhists, were found nine gold coins of the Abbasid Caliph al Mufti (946-974 A.D.). The people of Islamic faith who settled down in Ceylon at a later period were given by Sinhalese kings full freedom to follow the practices of their religion.

It is true that for several centuries this fruitful cultural intercourse among Asian peoples has been interrupted by various causes. Some among us, who had gone to the extreme limit of Europeanization, were even perverted enough in mind to look down upon other Asian people, for the reason that they were loath to give up their national ways of life. But now that a new era is dawning in which we will have to re-orientate our cultural outlook, it will do us good to remind ourselves of the many things which the different nations of Asia have in common, in their religions, languages, literature, art and music. It is to be hoped that due emphasis will be laid on this cultural unity of the various peoples of Asia in the education of the youth, particularly in the teaching of history, paving the way for mutual understanding and cordial relations among them.

## INDIA AND THE WORLD

### PARTICIPATION IN INTERNATIONAL CONFERENCES AND COMMITTEES

THE CONGRESS OF EUROPEAN, ASIAN AND AFRICAN PEOPLES:

PARIS: 19 JUNE 1948

The Congress was called by the left wing socialists of Britain, France, India, Indo-China and Africa.

During the meeting Mr. Bob Edwards, Chairman of the British Independent Labour Party, urged the creation of a third bloc of the peoples of Western Europe, Asia and Africa as a counterpoise between the United States and Soviet Russia. Mr. Phulan Prasad Varma, representing the Socialist Party of India, emphasized the international aspect of the various problems and said that for India the question of Socialism was international and not national because the salvation of India is bound up 'with the salvation of the world.'

The Asian Sub-Commission of the Congress called a Regional Economic Committee for South-East Asia. The Sub-Commission stated that it was 'indispensable' to revise the existing relations between Europe and Asia by way of the former making available capital, plant installations and European technicians to the latter.

The Congress declared in an appendix to its political report that the 'anomaly' of the rule by princes must be ended in India and Pakistan. The Report recognized that the Indian Socialist Party and the peasant movement were building up united action with similar bodies throughout South-Eastern Asia.

The Congress decided to appoint an international committee of eighteen members, six from each continent, to be in charge of the work between the meetings of the Congress.

#### WORLD HEALTH ASSEMBLY: GENEVA: 24 JUNE 1948

Two hundred and fifty delegates representing sixty-eight nations attended the World Health Assembly. India was represented by Rajkumari Amrit Kaur (Leader), Dr. A. Lakshmanaswami Mudaliar and Dr. K. C. K. E. Raja.

Dr. Andrija Stampar, Chairman of the Interim Commission, was elected President of the Assembly. Raj Kumari Amrit Kaur, who was elected Vice-President, said: 'A truly universal World Health Organization (W.H.O.) would help in breaking down the barriers of race and eliminating mutual suspicion and distrust which block the way of world peace.' She added that no country could live in isolation, because poverty and disease had repercussions on the health and well-being of even the richest of the nations.

Owing to the U.S. ratification with reservation of the W.H.O. Charter, the Assembly had decided that the U.S. delegate be seated provisionally until the Assembly had examined its validity. During the discussions the British, Indian and Soviet spokesmen advocated the admission of U.S. as a member in spite of their former objection to the latter's insistence on its claim to have the right to withdraw on a year's notice and to limit its contribution. Finally the U.S. was admitted as member. The United Nations announced on 2 July 1948 that Burma had become a member of the W.H.O.

India pleaded for the establishment of a regional bureau of W.H.O. which would benefit the countries of South-East Asia and attend to their special needs. This was followed by similar requests from other areas. Egypt, where a sanitary bureau was already functioning at Alexandria, asked that this be converted into a regional bureau. On behalf of the devastated areas of Europe, Soviet Russia asked for a regional bureau to be set up in Europe. China, the Philippines and Siberia had also asked for bureaux for the Far East and Africa respectively. The delegates of the United Kingdom and the United States urged that it would be better to concentrate on a Central Secretariat rather than disperse the available funds in creating a number of regional bureaux. The Indian delegate pressed the point that expenditure on Central Secretariat be reduced to enable the regional bureaux to be started especially in areas where health standards were low. It was finally agreed to establish regional bureaux. Delhi would be the headquarters of the regional bureau of the World Health Organization for South-Eastern Asia. Siam, Burma and Ceylon agreed to join the bureau. The United Kingdom delegate said that Malaya too would come in. Pakistan, however, expressed her desire to be grouped with the Middle East.

India was among the eighteen member countries elected to the Executive Board of the W.H.O. The countries were chosen on a geographical basis and the duration of the term was decided by drawing a lot.

It was decided that the W.H.O. should concentrate in its efforts to combat health problems on tuberculosis, venereal disease and malaria, maternal and child health and environmental sanitation. The W.H.O. Executive Board has already on hand reports to put health plans into action by retaining the personnel trained in these fields.

The Assembly established a fund for emergency aid to nations suffering from major epidemics and other health disasters. A hundred and fifty international fellowships in the field of public health will be awarded, on the recommendation of the health services of member nations. The selected scholars will be sent to countries of their choice to make specific studies.

The W.H.O. will work in co-operation with the International Emergency Children's Fund. A plan was drawn up to study the control of syphilis in pregnant mothers and the vaccination of children against tuberculosis. Teams of experts might go to countries on request and demonstrate the latest developments in such fields as pre-natal care and control of communicable diseases among children.

Other international agencies with which the W.H.O. would co-operate in its work are the International Labour Organization, which would obtain expert advice from W.H.O. on industrial hygiene and hygiene of seafarers, and the Food and Agricultural Organization which would receive advice on nutritional questions.

#### INTERNATIONAL LABOUR CONFERENCE: SAN FRANCISCO:

JUNE 1948

About 440 delegates and advisers from 51 member States attended the 31st session of the Conference. Mr. Justin Godart, the French Government delegate, was elected chairman. The agenda of the conference included the Director-General's Report, financial and budgetary questions, Report on Application of Conventions, Employment Service Organization (second discussion) and revision of the convention concerning fee charging employment agencies, freedom of association and protection of the right to organize, partial revision of the earlier conventions relating to night work (women) and young persons (industry), and privileges and immunities of the I.L.O.

The Indian delegation consisted of Babu Sampurnanand (Leader), Hariharnath Shastri, Prof. N. G. Ranga, K. T. Bhashyam, Abid Ali, S. Lall and Bhagavandas C. Mehta.

The Credentials Committee considered the protest lodged by the All India Trade Union Congress against the choice of the Indian delegation. Mr. Lall, Indian Government's representative to the Governing Body, explained the choice of the delegation and said that, according to the rules of the I.L.O., only the Indian National Trade Union Congress (INTUC) was entitled to represent the Indian workers at the Conference because of all the organiza-

tions it had the largest membership. The Committee recognized the INTUC as the most representative body of Indian labour and accepted the credentials of its delegates to the Conference.

The Governing Body approved in principle the establishment of consultative relationship with the International Federation of Christian Trade Unions and the Inter-American Confederation of Labour. Mr. Lall opposed the admission of these two rival bodies because it would introduce religious factor in the deliberations of the I.L.O. The World Federation of Trade Unions was already admitted to formal relationship with the I.L.O. at its session in December 1947.

During the debate on the Director-General's Report, Mr. Sampurnanand said that the most important result of the recent Tripartite Conference in India was the assent of workers and employers to an industrial truce. 'This agreement' he said, 'has been reached on a basis of partnership of labour in industry which is now the declared policy of the Government of India.' Under the Indian constitution, he pointed out, the Provincial Governments had great power in labour matters and they had fully availed themselves of it.

Mr. Hariharnath Shastri told the plenary session that the International Labour Organization had not so far inspired confidence in Indian workers because it was felt that it was indifferent to Asian countries. But with the attainment of independence, the outlook had changed. Discussing the present wages, he said that, although the war had ended three years ago, the miseries it inflicted on Indian workers had still persisted. There was partial increase in wages, but it was not commensurate with the rise in prices. Relaxation of price controls had aggravated the situation.

Signor di Vittorio of Italy accused the Governments of Chile, Greece and India of Fascism. He said that a wave of reaction had been started by the enactment, in the United States, of a law which crippled the worker's right to strike. The violent attack on the three governments provoked a strong protest from Prof. N.G.Ranga who asserted that the allegations were untrue.

Mr. Mehta referred to Pakistan's charge against the Indian Government about the latter's indifference towards her workers, and said that the Indian Government 'has had to face such tremendous problems that it was impossible to devote much time and energy, as it would have liked, to improving worker's conditions.'

The conference approved a new international treaty which required of the ratifying governments to make effective the right of workers and employees to form and join organizations of their choice. Another Convention approved by the Conference required the ratifying countries to maintain full employment services. A recommendation adopted by the Conference provides for supplementing some of the provisions of the existing Convention on employment services. Another Convention is designed to revise the two earlier Conventions on the employment at night of women and young persons.

The Conference endorsed a resolution requesting the Governing Body to enter into consultation with the U.N. to examine what improvements on

the existing international machinery might be necessary to ensure the safeguarding of freedom of association. The existing international machinery is that provided by the I.L.O. itself for the enforcement of ratified conventions.

The Conference had also accepted for the I.L.O. the United Nations convention on the privileges and immunities of the specialized agencies as modified by an annex relating to the I.L.O.

It was decided that a representative of India and representatives of six other countries should retain their seats in the Governing Body by virtue of their being the countries of 'chief industrial importance.'

The Conference admitted Ceylon to membership of the Organization. During the session El Salvador and the Philippines became members by notifying the I.L.O. of their acceptance of the obligations imposed by the constitution.

Other resolutions called upon the Governing Body to consider the inclusion in the agenda of an early session, preferably of the next, the consideration of international regulation requiring equal pay for work of equal value by men and women, the question of revising the 1933 Convention on fee-charging employment agencies and the question of a guaranteed weekly wage.

#### WORLD TRADE CONFERENCE: GENEVA: AUGUST 1948

Representatives of 22 countries who signed the Geneva agreement on tariffs and trade met at the conference to lay down the procedure for scheduling tariff negotiations with countries who were not represented at the Geneva Conference held last year. The Indian delegation consisted of Sir N. R. Pillai (Leader), C. C. Desai and B. N. Adarkar. Mr. Adarkar was elected Chairman of the Tariffs Sub-Committee of the Conference.

A protocol to the General Agreement on Tariffs and Trade allows certain trade restrictions to be imposed. This protocol was signed in March at Havana by all the contracting States except South Africa and Southern Rhodesia. It replaced an earlier provision of the General Agreement signed months ago at Geneva which forbade discriminatory trade restrictions. The Havana protocol stipulates that the original agreement shall not apply as between any two contracting States if: (1) the two contracting parties have not entered into tariff negotiations with each other and (2) either of the contracting parties does not consent to such application at the time the other becomes a contracting party. Dr. A. J. Norval of South Africa characterized this protocol as invalid. He felt that India's boycott of South African trade should be outlawed. He added that it was of secondary importance but his Government found the Havana draft protocol wholly objectionable. He contended that the parties to the General Agreement should not by any unilateral action be permitted to vitiate the fundamental principles of most-favoured-nation treatment embodied in the General Agreement. Mr. Desai argued that the acceptance of the Havana Charter made changes in the General Agreement inevitable. The delegation indicated that India might even cancel trade concessions to all other countries if an attempt was made to force her

to relax her boycott of South Africa. Mr. Adarkar said: 'All the benefits accruing from the trade and tariffs agreement are nothing to the Indian Government when compared with the serious implications for India's national prestige of an attempt to force the agreement into effect between India and South Africa.' He said that India could not agree with the South African Government's opinion that since the protocol was drawn up six months after the original agreement and had not been signed by all the contracting parties, it was not legally binding. He pointed out to the fact that only two countries had exercised the right of trade restriction conferred by the protocol and that too both against South Africa. He claimed that this right had not been frivolously or arbitrarily used and said that India herself had been the first to propose the article in the General Agreement which guarded against such frivolous use of the right to restrict trade.

Mr. Wilgress, Chairman of the Conference, put forward a compromise proposal by which South Africa was requested to sign the protocol without prejudice to her legal contention by making a reservation in regard to the provision which allows India and Pakistan to boycott that country. Eighteen countries voted for the proposal and the Chairman assured the South African delegate that they would consider sympathetically any such reservation. Mr. Adarkar said that he would recommend the proposal to his Government on the express understanding that it would not affect India's boycott of South Africa even if the South African Government's reservation should be accepted at the next meeting.

Mr. S. A. Hasine of Pakistan protested to the Conference that the Indian Government had levied duties on export of certain essential products of Pakistan, while the same products were exported without charge to other countries. He added that, as signatories to the General Agreement, both the countries should extend to each other the concessions that they had granted other participating countries. Mr. Wilgress recalled the provisions laid down in Articles I and III of the General Agreement, which stated that any advantage, favour, privilege or immunity granted with respect to internal taxes by any participating country to any product destined for any other country should be accorded immediately and unconditionally to like produce destined for the territories of all other participating countries. He gave the final ruling that a party to the agreement must not discriminate against another with regard to internal taxes. This ruling was the first formal interpretation given on the General Agreement and it was not contested by any delegation. Mr. Adarkar said that he must defer acceptance of the Chairman's ruling until he had consulted his Government. He informed the Conference that he had already submitted an account of Pakistan's complaint to the Indian Government.

The Conference decided to discuss whether Germany and Japan should be admitted to the Agreement. Czechoslovakia, the sole Eastern European country to sign the Agreement, supported by China, opposed the discussion of this matter.

The United States proposed that the main trading nations of the world grouped in the Geneva Agreement should extend most favoured-nation treatment to



Western Germany. The British delegate said that though he agreed with the substance of the U.S. proposal he doubted whether a general grant of most favoured-nation treatment should be decided by the 22 nations. The Czechoslovakian delegate strongly opposed the proposal and said that his country would be unable to sign any such document having similar relations with Germany. He insisted that the peace treaties must be signed before Germany could become a party to any international trade agreements. Finally the U.S. proposal was approved. The Czechoslovakian delegate walked out of the meeting as a protest when voting took place. Australia, China and New Zealand demanded that the Agreement should in no case be extended to Japan.

The Conference accepted another U.S. proposal by which U.S. gained international permission to introduce preferences for her Trust territories in the Pacific including the former Japanese Marshall, Caroline and Mariana islands. The preferences will apply principally to the phosphate produced by the inhabitants of the islands and are designed, according to the U.S. delegate, to prop up an economically backward area.

An 18-Nation Committee of the Conference met to prepare for the first meeting of the International Trade Organization. So far no country has ratified the Havana Charter which provides for the formation of the I.T.O. Twenty nations must ratify before the organization could come into being.

The Conference allowed Ceylon's appeal for permission to withdraw some of the tariff concessions made on her behalf when the Agreement was signed last year. Ceylon's delegate said that such a revision was necessary to prevent mass starvation. The Chairman said that the success of Ceylon's appeal should not form a precedent and that any other appeal must be examined strictly on their merits.

#### WAR RESISTERS CONFERENCE: LONDON: 5 AUGUST 1948

Sixty-eight countries were represented in the Conference held under the auspices of the War Resisters' International. Dr. J.C. Kumarappa, the well-known Gandhian economist, was specially invited to the Conference to give an exposition of Mahatma Gandhi's philosophy of life.

Dr. Kumarappa laid great stress on removing the root cause of wars from our social structure, which according to Mahatma Gandhi, was to be achieved by his constructive plan. In his opinion war could be banished only by educating the people to accept change in their approach to life, as the present western mode of life could not avoid wars. As that required a vigorous programme of constructive work, it was proposed to raise suitable organization in various countries to launch a campaign for peace.

A group of people decided to study the teachings of Mahatma Gandhi in regard to his programme for India to see how far they could adopt the same principles, though not in detail and method, in their own countries.

Dr. Kumarappa had expressed the opinion that perhaps the western world would recognize sooner than India the value of Mahatma Gandhi's teachings and reap their benefits. The Conference decided to meet again by the

beginning of 1949 at Shantiniketan in order to put forth a definite plan for the propagation of his philosophy.

INTERNATIONAL YOUTH CONFERENCE: LONDON: 12 AUGUST 1948

India was represented in the Conference by Dr. J.C. Kumarappa, (Mrs.) Mary N. Clubwala, J.V. Bhave, D.P. Goel, G.K. Rao and Jal F. Bulsara. The Executive Committee of the 'Federation of Indian Students in Great Britain and Europe had decided not to participate in the Conference, because they felt that it was called by British Conservative students with a view to creating a split among the student organizations.

Mr. Herbert Morrison, Leader of the House of Commons, opened the Conference. In the preliminary meeting the ground to be covered during the Conference was decided. The delegates then visited various parts of the country and saw socialist England at work.

On their return, the delegates split up into committees and each committee explored a particular field of enquiry and made its recommendations.

At the final session of the Conference, it was decided to set up a continuing body named the International Youth Assembly. The draft Charter, which was drawn up and accepted only in principle, detailed its purposes and membership regulations, its policy and plans for future work. While drafting the Charter, one group of delegates, stated that the membership of the Assembly should be confined to all 'democratic countries only.' The Indian and Pakistan delegates, supported by many others, held the view that to make the Assembly a truly representative world organization, the membership should be open to all nations. Finally it was decided that no restrictions should be placed in regard to the qualifications of membership.

The draft Charter will be sent to national organizations of participating countries for ratification before its final approval.

INTERNATIONAL BAR ASSOCIATION CONFERENCE: THE HAGUE:  
16 AUGUST 1948

The second international conference of the members of the legal profession was convened by the International Bar Association. Sir B.N. Rao attended the conference.

One of the main topics discussed at the Conference was the restoration of law and property rights after the Second World War. The intention was to secure a complete survey of what the countries, under enemy occupation, had done to straighten out property rights and what countries, not under such occupation, had done in regard to unfreezing of seized assets.

The Conference also discussed the plans of the U.N. for progressive development of international law, the legal effect of recognition of States on Government, the status of Governments in exile, definition of aggression, treatment of prisoners of war, immigration and naturalization, law of nationality, international administration of justice, effects of Second World War on admiralty and prize law and the law of neutrality and air law.

The Conference considered the proposals for uniformity in negotiable instruments and similar documents, and the principles to be followed in regard to the protection in industry and intellectual property like patents and copyrights.

The subject of legal education and admission to legal profession was also examined with a view to evolving some kind of uniformity. It was decided that there must be an international code of ethics for lawyers.

There was a proposal that the British Commonwealth citizenship must be made available to citizens of countries outside the Empire on a reciprocal basis.

The International Bar Association suggested that arrangements for equal citizenship rights could be made in the first place between the Commonwealth and countries with which it had close ties such as the Benelux countries. This exchange of citizenship plans was regarded as a first step towards the Associations' ultimate aim of promoting tolerance and good neighbourliness among nations.

A proposal to make a comparative study of social legislation under Islamic law was approved by the Conference. Urging the Conference to adopt and encourage this study, a special committee said that the flexibility and importance of Islamic law made it particularly necessary to study the impact of modern social progress on the code of Islamic law.

The importance of laying down uniform procedure for avoiding international double taxation was also emphasized by the Conference.

#### U. N. COMMITTEE ON COLONIES: GENEVA: 3 SEPTEMBER 1948

The Committee consisted of eight colonial powers and eight other nations nominated by the U.N. General Assembly. The colonial members of the Committee were the United Kingdom, Belgium, the United States, Australia, New Zealand, Denmark, France and the Netherlands. The non-colonial members were Soviet Russia, China, Colombia, Cuba, Egypt, India, Nicaragua and Sweden. The Committee was to receive reports from the colonial powers on some aspects of the administration of the colonies in pursuance of certain provisions of the Charter. The Committee would place its full report before the General Assembly. Mr. B. Shiva Rao, who represented the Government of India, said that the ultimate purpose of such a review was to see what progress was being made by these territories towards self-government, but that the colonial powers felt very sensitive about the phrasing of the relevant clauses in the Charter at the time of the San Francisco Conference in 1945 so that their authority might not appear to be qualified in any sense or to any extent. 'Nevertheless,' he hoped, 'a review of colonial administration will prove useful even without its political implications being considered. The pace of social and economic progress is not the same in all colonies, and where standards are low a comparison must do good.'

India made detailed proposals to give the U.N. continued and greater influence in the administration of 74 colonies possessed by the 8 colonial powers. Presenting the proposals to the Committee Mr. Shiva Rao said that India had a special interest in the welfare of these territories, because many of her na-

tionals were scattered over them and because she herself had until recently been the most important non-self-governing territory in the world. He pointed out to the fact that the grant of self-government to India had not only not weakened her ties with Britain, but that the anti-British sentiment, which grew with the rise of the nationalist movement in India, had largely disappeared in the last twelve months. He added: 'I would, therefore, appeal to other powers administering the colonies to realize that the risks of going forward are fewer than those of proceeding with caution.' Mr. Shiva Rao's proposals aimed at:—

1. Making permanent the special 16-nation Committee which examines the reports of the colonial powers and submits recommendations on them to the U.N. General Assembly.
2. Increasing the Committee's prestige by making it directly responsible to the General Assembly itself and not to a committee of the Assembly as at present.
3. Reducing the influence in the Committee of the colonial powers by eliminating the provision that all the eight should be members thus exactly balancing in votes the members of the Committee which have no colonies. To achieve this he suggested that the colonial powers need not necessarily be members of the Committee.
4. Permitting the U.N. Secretary-General to add to the information submitted by the powers on their colonies any other relevant material which threw light on this information. He suggested that the reports drawn up on colonial territories by specialized agencies might be used for this purpose.

Mr. Shiva Rao explained that his proposals were intended to reconcile the obvious variance that had arisen between the original intentions of the framers of the U.N. Charter and the interpretation put upon it by some colonial powers. It was not intended that colonial powers should be much less favourable to the U.N. than powers holding trusteeships. The colonial territories of the world were far more important in population and area than trustee territories.

Britain's attitude, outlined in a Colonial Office memorandum before the Committee met, was that since the principle of sovereign equality was accepted as one of the bases of the U.N. Charter, the U.N. has no more right to interfere in the domestic affairs of a colonial territory than in those of a member nation. Mr. Fletcher Cooke, British delegate, said that Britain would not accept any international control over her colonies, and added: 'Not only is there no warrant for it in the Charter, but the interposition between the colonies and the mother country of an international political assembly bearing no direct responsibility for the implementation or outcome of its decision would be resented by the colonial peoples themselves.' The British delegate pointed out that the only specific obligation towards the U.N. which the colonial powers had undertaken under Article 73 of the Charter was of sending to the Secretary-General 'statistical and other information of a technical

nature relating to economic, social and educational conditions in the territories for which they are responsible.'

Britain presented detailed reports to the committee on economic and social conditions in her 42 colonial territories and protectorates, but gave no information on their political progress. Belgium's report was also similar to that of Britain. The six other colonial members of the Committee included some political information about their territories. Last year the U. N. General Assembly passed a resolution encouraging the tendency of most colonial powers to include details of colonial political development in their annual reports. This was ignored by Britain and Belgium.

France rendered no account on Indo-China claiming that it was a member of the French Union. In the Committee her representative raised the question as to the precise meaning of a 'non-self-governing' people. He claimed by implication that a colony which was granted some representation in legislature by the metropolitan power would cease to be a colony and, therefore, no information about that area need be submitted to the Committee. The British delegate asserted that it was for the metropolitan power alone to decide whether a particular territory was self-governing or not within the meaning of the Charter. Mr. B. Shiva Rao then gave notice of a resolution challenging the French interpretation. The resolution seeks legal clarification on the point raised by France, but questions the validity of the claim 'in respect of any territory which is inhabited by a people of a different race, culture and language from those of the metropolitan country, whose international relations and representation are under the control and direction of such a metropolitan country, and which does not enjoy the same basis of self-government as the metropolitan country, particularly in respect of electoral qualifications and conditions of representation in the metropolitan legislature.'

The Soviet delegate questioned the propriety of the Netherlands furnishing information about Indonesia, holding that its status being that of an independent republic, the Netherlands could not claim authority as the metropolitan power. This new attempt to gain United Nations' recognition of the independence of the Indonesian Republic was rejected on technical grounds. During the debate on this proposal Mr. Shiva Rao said that in view of the fluid state of affairs in Indonesia it was difficult to take decision on this matter. He was of the opinion that the Soviet proposals could not, however, be separated from the French contention that she could withhold information regarding some of her colonies on the ground that they had attained self-government status. Mr. Shiva Rao said that these questions were inseparably inter-connected and Denmark and New-Zealand were right in pointing out that this special committee was not under the terms of reference competent to decide the issue.

The Committee rejected the major proposals of the Indian delegate, namely the establishment of the committee on a permanent basis, its direct election by the U.N. General Assembly, and enlargement of its membership to 24. The four Russian proposals to increase U.N. supervision of the world's 70 colonies were also rejected by the Committee. These proposals sought to

compel the colonial powers to submit regularly to the U.N. reports on the development of organs of self-government in the colonies; to send U.N. observers to make annual surveys of conditions in all the colonies; to allow petitions from colonial peoples to be considered by the U.N. and to allow communications from private persons or local groups in the colonies to be added by the U.N. Secretariat to the technical information submitted annually by the colonial powers on economic, social and educational conditions in the colonies. Egypt was the only country to support all the four proposals, while China supported the first. The Committee decided that the proposals were not within its competence.

Mr. Shiva Rao expressed the view that although he agreed that the colonial powers should submit to the U.N. reports on political and constitutional developments in the colonies, he could not agree that the Russian proposal to this effect was within the competence of the special committee.

The Committee adopted a compromise proposal at the instance of the Indian representative, that a committee similar to itself should meet next year to examine the report sent to the U.N. on social, economic and educational conditions in the colonies. Mr. Shiva Rao regretted the colonial powers' stand against permanent continuance of the special committee, and expressed his dissent from the British contention that the Committee's sole task was to recommend techniques for the compilation and transmission of this information. He believed it had much wider scope.

## DELEGATIONS AND MISSIONS

### U.N. COMMISSION ON INDIA AND PAKISTAN: JUNE - SEPTEMBER 1948

The first meeting of the Commission was held at Geneva on 22 June 1948. The Commission invited India and Pakistan to send liaison officers to join it. It was decided that the Chairmanship should rotate among the five countries of the Commission in alphabetical order.

The Chairman of the Commission, in his letter to Prime Minister Nehru, stated: 'Having reserved a decision regarding the situation in the State of Jammu and Kashmir, it desires to confer with your Government regarding the various factors affecting the situation.' The Commission appealed to India and Pakistan to take immediately those measures within their power which could improve the situation and to refrain from making or causing to be made any statement which might aggravate the situation.

Mr. M.K. Vellodi was appointed on special duty by the Indian Government to help the Commission with information on subjects on which it might confer with the Government of India. The representatives of the Government of India met the Commission at New Delhi and acquainted the members with the Indian point of view. The Commission, after several meetings, submitted to the Government of India a list of questions for the purpose of obtaining additional information about the report on the situation given by the Government of India.

The Government of India presented to the Commission documentary evidence to show that regular Pakistan troops were participating in the operations in Kashmir. The Pakistan Government informed the Commission that their troops were constrained to take part in the Kashmir fighting in order to thwart the threatened Indian pincer movement against Pakistan. They maintained that there were plans for a joint summer offensive by India and the Fakir of Ipi against Pakistan.

The Commission requested the United Nations to depute a high-ranking military officer who would be in a position to help them in their investigations. On 13 August 1948 the Commission stated: 'Since its arrival in the sub-continent the Commission has given both the Government of India and the Government of Pakistan ample opportunity to express their views and it has also conferred with the Commanders-in-Chief of the Indian and Pakistan Armies.' The Commission handed on that day simultaneously to both the Governments their recommendations for a 'Cease Fire' with simultaneous acceptance of certain principles for a truce, to be followed by consultations with the Commission to determine the conditions under which a plebiscite should be held.

The resolution of 13 August stated that the prompt cessation of hostilities and the correction of conditions, the continuance of which was likely to endanger international peace and security, were essential to the implementation of its endeavours to assist the Governments of India and Pakistan in effecting a final settlement. The 'Cease Fire' proposal suggested the simultaneous issue of a 'Cease Fire' order by the High Commands of both the Governments to apply to all their forces under their control in Kashmir within four days of the acceptance of the proposal on a mutually agreed date, and that the Governments should refrain from taking any measures that might augment militarily potential forces under their control. The Commission also proposed the appointment of military observers under its authority and in co-operation with both the commands to supervise the observance of the 'Cease Fire.'

The Commission had *inter alia* suggested acceptance by both the Governments of the following principles as a basis for the formulation of a truce agreement:

1. The presence of Pakistan troops in the territory of the State of Jammu and Kashmir constituted a material change in the situation since the Commission was sent out by the Security Council and the Government of Pakistan should agree to withdraw its troops from that State;
2. The Government of Pakistan would make their best endeavour to secure the withdrawal of the tribesmen and Pakistan nationals not normally resident therein.
3. Pending final solution, the territories evacuated by Pakistan troops should be administered by local authorities under the surveillance of the Commission, and after the Commission's notification to the Government of India about withdrawal of the tribesmen and Pakistan nationals, the Government of India should agree to withdrawing

the bulk of their forces from the State in stages to be agreed upon with the Commission.

4. The Government of India may maintain, within lines existing at the moment, their forces which in agreement with the Commission, are considered necessary to assist the local authorities in the observance of law and order.

Prime Minister Nehru, in his letter of 20 August to the Chairman of the Commission, accepted the resolution in view of the clarifications in the second part of the resolution and the Chairman appreciated the spirit in which this was taken. Pandit Nehru stated that the presence of Pakistan troops in Kashmir was a material change which was not communicated to the U.N. Security Council and the conduct of Pakistan Government was not only opposed to all moral codes as well as international law and usage but had also created a very grave situation. It was only the earnest desire of the Government of India to avoid any extension of the field of conflict that had led them to refrain from any action to meet the new situation.

While the Government of India had accepted the 'Cease Fire' proposals, being 'animated by a sincere desire to promote the cause of peace and thus to uphold the principles and prestige of the United Nations,' the Pakistan Government's acceptance was conditional. They stated that their acceptance was subject to clarifications and elucidations furnished by the Commission to the Government of Pakistan being accepted by the Government of India. Further conditions laid down by the Pakistan Government are that elucidations and clarifications, if any, furnished by the Commission to the Government of India, must be acceptable to them and that the Government of India should accept the conditions laid down in the Security Council's resolution of 21 April in regard to a free and impartial plebiscite to decide the question of accession. Pakistan Foreign Minister, Sir Muhammad Zafrulla Khan, made it clear to the Commission that though Pakistan was prepared to use its good offices towards the acceptance of the proposals by the Azad Kashmir Government, it was the latter Government alone that had the authority to issue 'Cease Fire' and conclude terms and conditions of truce.

On 6 September, the Commission stated that it was 'assiduously studying' the replies and that they expected to continue negotiations with both the Governments 'should it find desirable.' The Commission found, however, that immediate effectuation of its proposal of 13 August was not to be envisaged.

#### INDIAN TRADE DELEGATION TO EUROPE: JULY 1948

The delegation was led by Mr. L. K. Jha, Chief Controller of Exports, Government of India. It concluded an agreement with the U. K. and U. S. Zonal authorities of Germany. The agreement provides for the issue by both countries of export and import licences for a large number of commodities. India's exports will mainly consist of groundnuts and groundnut oil, hides and skins, manganese ore, mica, pharmaceutical herbs, stick lac and shellac, and jute and raw wool. India expects to receive under the agreement capital goods,



textile machinery, diesel engines and spare parts, electro-medical equipment, telephone equipment spare parts, optical goods and precision instruments, coal-tar dyes, pharmaceuticals, photographic paper and plastic moulding compound. Germany is also to supply India other metal products like heavy plough and spares, printing machinery, tractors, paper making and paper machinery and steel plant equipment and accessories.

Exchange of goods will be through government agencies. Satisfactory contacts between buyers and sellers will have to be established. In order to improve trade relations with India a few leading German manufacturers in the Western Zone had recently formed a combine known as Uniomatex. Though prices in Germany may not be cheaper than elsewhere, the delivery position is very good in many cases. The German Deutsche Mark has no fixed international value and, therefore, prices are fixed in dollars for purposes of exports and at current prices. Although for purposes of invoicing, sterling will be used, the outstanding balance of payments would have to be settled in dollars. This will make Germany a hard currency area for India. Therefore, in providing for imports, emphasis has been laid on capital and industrial goods rather than on consumer goods. During the first twelve months ending 30 June 1949, India's exports will be somewhere near 12 million dollars while her imports from Germany will be approximately 20 million dollars.

The delegation had a discussion with the Trade Division, Soviet Military Administration and members of the German Economic Commission of the Soviet Zone. It was decided to have further talks before signing any agreement.

The Indian delegation accepted the French Government's invitation to visit France. The delegation was impressed by the machine tool position and the hydro-electric power plant machinery of the country. The factories of the Lyons area of Eastern France and the electro-metallurgic, textile, chemical and dye factories were among the other places they visited. The visit was purely exploratory in character. It is expected that the supply of chemicals and dyes from France will improve.

The delegation visited Prague also and discussed with the authorities the delivery of heavy industrial goods to India from Czechoslovakia.

## INTERNATIONAL COMMITMENTS OF INDIA

### INDO-BRITISH STERLING BALANCES AGREEMENT: 9 JULY, 1948

On 14 August 1948 the Indian Parliament approved the Sterling Balances Agreement. It agreed to the two supplementary grants totalling over Rs. 216 crores in respect of capital outlay for sterling pensions and Rs. 65 crores for the defence capital outlay.

The Sterling Balances of India at the time of the commencement of the London negotiations were about £1,160 millions (Rs. 1,547 crores). The Chancellor of the Exchequer did not, during the course of the discussions, put forward any suggestion for scaling down the Sterling Balances. The only way in which the United Kingdom could meet the demands for an orderly liquidation of the balances is by the creation of an export surplus. But

owing to various factors, the economic recovery of the United Kingdom was slower than was expected and the rate of her consumption of the credits she obtained from Canada and the United States of America, was faster than was originally anticipated. It was under these conditions that the negotiations were conducted with the United Kingdom.

The first task of the delegation was to fix the price of the entire military stores and installations of the sub-continent which the Government of India took over. A further debit item was the payment of pensions to British civil, military, naval and air force officers who have retired. Then the delegation was to tackle the question of what could be done with the remaining funds.

*Purchase of Stores and Installations:* In April 1947 the undivided Government of India took over from the British Government all their stores and installations which they had left in India at the termination of the war. Before the delegation left for England there was an agreement with the Pakistan Government regarding the method of computation of the value of the stores and installations and the manner in which they are to be divided between the two Governments. It was finally agreed at London that the price to be paid for the military stores and installations should be settled at £ 100 millions (Rs. 133.3 crores).

*Capitalization of Pensions:* The pre-partition pensions, including pension payments on account of officers who have retired as a consequence of the partition, are about £6½ million (Rs. 8 crores) a year. The Government of India decided to purchase from the U.K. Government tapering annuities for meeting this liability and also in respect of the pensions debitable to the accounts of the provinces of India. The capital sums involved in the purchase of these annuities are £ 147½ million (Rs. 197 crores) for central pensions and £ 20½ millions (Rs. 27 crores) for provincial pensions. In return of the capital sums, tapering annuities will be made available to India for meeting these pensionary liabilities. If the annuity is found to be in excess of the actual need in any year, the excess will be appropriated by India; if it falls short, the deficit will be made good by her.

*Release of Sterling:* The practice hitherto was to obtain releases for every six months. But from the point of view of planning economic development, it was found necessary to avoid uncertainties in India's foreign exchange position. At the same time, in view of the difficulties and uncertainties during the period of transition from war to peace economy in the U.K., it became difficult for her to make any long-term commitments. The negotiations proved, therefore, protracted and intricate. The final outcome of the negotiations was that the United Kingdom had agreed to release during the coming three years a sum of £ 80 millions (Rs. 107 crores), in addition to the £ 80 million of Account No. 1 of the unspent balance of the previous releases. In addition to this, India will have her export earnings of her sterling during this period. The agreement, however, provides for flexibility in case more funds are needed. If the U.K. Government makes sufficient progress in her economic recovery, they may supply India's needs more adequately and effectively.

*Multilateral convertibility:* In view of the various uncertain factors affecting the economy of the world, India agreed that the arrangement relating to multilateral convertibility might be confined to £ 15 million or Rs. 20 crores during the first year. The British Government have recently concluded an agreement with Switzerland which will give India the benefit of paying that country in sterling approximately to the extent of our adverse balance of payments with that country during 1947. Similar agreements have also been made with some other countries. Now amongst the countries of Europe with which India is concerned for purposes of trade relationship, the only countries which would still remain hard currency areas for India are Belgium and Portugal besides the Anglo-American zone of Germany.

It is difficult to say what exactly will be the shares of India and Pakistan in the Sterling Balances. It may be estimated that, after deducting all the necessary items, the net balance in favour of India would be approximately £ 800 millions or Rs. 1,067 crores. Out of this about £ 200 millions or Rs. 267 crores may be considered as a normal currency reserve. The balance available for use including the amount in the Reserve Bank's Account No. 1 will be approximately £ 600 million (Rs. 800 crores).

TREATY OF FRIENDSHIP AND ESTABLISHMENT BETWEEN HIS MAJESTY  
THE KING OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND  
AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, ON BEHALF OF  
THE DOMINION OF INDIA, AND THE SWISS CONFEDERATION

Concluded in New Delhi on 14th of August 1948. Came into force on . . .  
..... 1948.

His Majesty The King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas for and on behalf of the Dominion of India and the Swiss Federal Council being desirous of consolidating the bonds of peace and friendship which have ever existed between the two States and of developing peaceful and friendly relations between them, have resolved to conclude this Treaty and have for that purpose, appointed as their Plenipotentiaries:

*His Majesty The King* of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, on behalf of the Dominion of India,

The Honourable Pandit Jawaharlal Nehru, Prime Minister and Minister for External Affairs and Commonwealth Relations in the Government of India.

and *the Swiss Federal Council*, Monsieur Armin Daeniker, Envoy Extraordinary and Minister Plenipotentiary of Switzerland in India, who having communicated to each other their respective full powers and found them good and in due form, have agreed and signed the following articles:

ARTICLE I

There shall be perpetual peace and unalterable friendship between the Dominion of India and Switzerland.

## ARTICLE II

Each of the contracting parties shall be able to appoint diplomatic representatives, Consuls-General, Consuls, Vice-Consuls and Consular Agents, who shall reside in towns, ports and other places in each other's territory where the corresponding representatives of other countries reside or in such other places, as may be agreed to.

Consuls-General, Consuls, Vice-Consuls and Consular Agents shall be provided with exequaturs or other valid authorization of their appointment. Such exequatur or authorization is liable to be withdrawn by the country which issued it if considered necessary. The reasons for the withdrawal shall be indicated wherever possible.

The persons mentioned above shall enjoy on a reciprocal basis all the rights, privileges, exemptions and immunities that are accorded to persons of corresponding status of any other State.

## ARTICLE III

The nationals of either of the contracting parties shall have in the territory of the other party, subject to the laws and rules in force in that territory, the right of establishing themselves and of residence, of going from and coming to and of moving freely within that territory.

## ARTICLE IV

The nationals of each of the contracting parties residing in the territory of the other party shall be treated in all respects that concern the exercise of their trades and professions and the carrying on and development of their commercial or industrial enterprises and their lawful traffic and trade on a footing of equality with the nationals of the 'most favoured foreign nation' provided they conform to the laws and rules in force. They shall not be liable to any impost or tax of whatever nature other or greater than that charge which is demanded from the nationals of the 'most favoured foreign nation.'

## ARTICLE V

In no case shall either of the parties demand for its own nationals more extensive rights than it grants to persons of the other party similarly engaged in a trade or a profession or in the development of any commercial or industrial enterprise or lawful traffic and trade.

## ARTICLE VI

The contracting parties undertake to extend to the nationals and goods of each other for everything concerning commercial travellers and the import, export, and transit of goods, treatment on the same basis as that given to the 'most favoured foreign nation.'

The privileges which are at present extended or may be extended in future for facilitating the frontier traffic to neighbouring countries, as also such privileges as might arise from a Customs Union already in existence or to be concluded in future by either of the contracting parties are excluded.

## ARTICLE VII

The contracting parties will, as soon as possible, enter into negotiations for the conclusion of a more comprehensive Treaty or Treaties of Establishment and Commerce which will *inter alia* cover the matters referred to in articles III, IV, V and VI. Subject to the terms of such Treaty or Treaties, this Treaty with respect to articles III, IV, V and VI shall remain in force for a period of six months after notification by either party to the other of its intention to terminate the operation of these articles.

## ARTICLE VIII

Any disputes arising out of the interpretation or application of this Treaty or one or more of its articles shall be settled in the first instance, by negotiations, and, if no settlement is reached within a period of six months from the commencement of negotiations, by arbitration in such manner as may hereafter be determined by a general or special agreement between the contracting parties.

## ARTICLE IX

The present Treaty shall be ratified and shall come into effect on the date of the exchange of ratifications which shall take place as soon as possible in Berne.

In witness whereof, the Plenipotentiaries have signed the present Treaty, in the English and French languages and have affixed thereto their seals.

Done in duplicate in New Delhi the fourteenth day of August in the year one thousand nine hundred and forty-eight.

Signed by

JAWAHARLAL NEHRU

Prime Minister and Minister for External Affairs and Commonwealth Relations in the Government of India on behalf of His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas.

In the presence of .

P. A. MENON

Signed by

ARMIN DAENIKER

Envoy Extraordinary and Minister Plenipotentiary of Switzerland in India on behalf of the Swiss Federal Council.

In the presence of

PIERRE-HENRI AUBARET

## FINAL PROTOCOL

On proceeding to sign the Treaty of Friendship and Establishment between His Majesty the king of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, on behalf of the Dominion of India, and the Swiss Confederation, the undersigned Plenipotentiaries have

made the following reservations and declarations which shall form an integral part of the Treaty:

(i) For the purpose of this Treaty the term 'nationals of India' includes the subjects of the Indian States which have acceded or may in future accede to the Dominion of India.

The Provisions of this Treaty which secure in the Dominion of India 'most favoured foreign nation' treatment to Swiss nationals and goods shall not apply to any special favours or preferences which the Dominion of India accord or may hereafter accord to the nationals or goods of the Republic of Burma or of the kingdom of Nepal.

(ii) The 'most favoured foreign nation' treatment under article VI shall not be deemed to be contravened by the import and export control necessitated by considerations of foreign exchange or other emergent considerations.

The present Protocol shall be considered as approved and sanctioned by the contracting parties without any other special ratification by the sole fact of the exchange of the ratifications of the Treaty to which it appertains. It has been drawn up in duplicate at New Delhi on the fourteenth day of August one Thousand nine hundred and forty-eight.

Jawaharlal Nehru

A. DAENIKER

## ASSOCIATIONS IN FOREIGN COUNTRIES INTERESTED IN INDIA

### THE NATIONAL INDIAN ASSOCIATION: LONDON

The National Indian Association was founded in 1870. The objects of the Association, as originally formulated, were to spread knowledge about India in England, to co-operate in all efforts made for advancing educational and social reforms in India and to promote friendly intercourse between the people of India and Britain. The Association has given some financial support to other agencies who are engaged in these activities. Some plans are worked out to provide help for Indians visiting Britain. The annual membership fee is 10s. 6d.

Mr. C. P. W. Lloyd, M. A. is at present the Honorary Secretary. The address of the Association is, 3, Victoria Street, London, S.W. 1.

### THE EAST INDIA ASSOCIATION: LONDON

In 1866, the East India Association was established with a view to the 'promotion of public interest and welfare of the inhabitants of India generally.' The Association arranges lectures on current questions affecting India, Pakistan and Burma and publishes them. It provides opportunities for a full discussion of important questions affecting these countries. The Association is essentially non-official in character and has no connexion with any political party. It welcomes as members all those who are interested in the welfare and progress of India, Pakistan and Burma. Sir Frank H. Brown C.I.E. is the Honorary Secretary of the Association.

Annual subscription payable in advance is £ 1. 5s. The Life Subscription is £ 14. For members joining after 15 October the first subscription will cover the ensuing calendar year. Members are supplied the *Asiatic Review* free.

The address of the Association is 3, Victoria Street, London S.W.1.

## REVIEWS AND NOTICES

### INTERNATIONAL AFFAIRS

FROM THE LEAGUE TO THE UN. By Gilbert Murray. (London : Oxford University Press 1948.)

At a time when the U.N. faces one of the biggest crises in its short career the publication of a book narrating the evolution of the idea of an international body to encourage collective action and avoid world clashes, serves to focus our attention on the future of this great hope of mankind. Actually the book is a collection of the speeches and writings of Mr. Gilbert Murray and covers the period from 1935 to 1946—the most crucial period in international relations covering as it does the decade from the rise of Hitler to the close of World War II, the death of the old League of Nations to the birth of the new United Nations. As the author was the Chairman of the Executive of the League and the Joint President of the whole organization, the papers have a special value. Moreover the fact must not be overlooked that the author was one of the earliest and the fewest of the really genuine believers in the substituting of international warfare by co-operative action. For there was a time not long ago when the advocacy of any such plan was regarded as unpatriotic and its supporters shouted down as traitors.

The present situation after two spectacular attempts at international organizational co-operation may be best summed up in the words of the author himself as stated in his introductory chapter. This is what he writes: 'The whole history of Europe reinforces the judgment of two ancient Greek writers, that the source of most public evils is the desire for power over others and that this power is like a wicked courtesan, who makes nation after nation in love with her and then betrays them, one after another to their ruin. . . . . and the effect of the two wars has been to lessen the influence of the civilized part of mankind increasingly to establish that of the less civilized. . . . . and meantime man's powers of destruction are vastly increased.'

Thus the new organization has a more difficult atmosphere to contend with and greater adverse forces than did the old League. At the same time it has a more wholesome composition in that it has been able to rope in the United States and the Soviet Union. Nevertheless the results have not been at all encouraging. To begin with the U.S. introduced the veto which the USSR has contrived to exploit to its fullest benefit. For both these powers have demanded a price for their co-operation. Between them they have sought to enjoy the dubious privileges of isolation for themselves and the power of coercion over the lesser members of the U.N. The close of the San Francisco Conference also saw the introduction of peace-time conscription all over,

even in countries like England and America where the practice was unknown before which meant that every youth was being attuned through imagination and energy to the craft of war of ruthless destruction. In such an atmosphere the element of idealism weakens and that of self-interest increases.

The unevenness in the economic development in the various parts of the world lies at the root of all international politics and determines the shape of things—world collaboration under the circumstance reduces itself to unreality, and political institutions such as the United Nations leave untouched the overriding economic problems of the world, and chaos and insecurity naturally follow, feeding the flames of war. Thus the facts seem to remain unchanged by any discussion and international co-operation becomes illusory and the factors of friction merely deepen into intenser crises, rocking the world by panic and distress. In fact world conflict seems to hardly cease, one phase is replaced by another and new terms describe old emotions—thus we have a 'cold' war following a blistering war with the threat of an atomic war to follow. But no matter what the shape or temperature, it is always the war.

(MRS.) KAMALADEVI CHATTOPADHYAY

THE ECONOMY OF CEYLON. By Sir Ivor Jennings. (London: Oxford University Press, 1948, Rs. 6)

In the Preface to his book Sir Ivor Jennings set himself the modest target of supplying the under-graduates of the University of Ceylon with elementary information on the economy of the country. He has succeeded in achieving a great deal more than his immediate object. For the book not only admirably serves the purpose for which it is intended but also achieves a constructive critical analysis of the Ceylon economic scene, which will be of value no less to the average citizen and the Government than to the undergraduate. Apart from its intrinsic merits it is a pioneer attempt in the serious study of the economic problems of the country. It is also the first book in which the economy of the country is treated as a whole and in the inter-relation of its various sectors.

The purely descriptive parts of the book leave little to be desired. They are written in a style of admirable lucidity and vigour, suitably leavened by a dry humour. The only regret is that the scope of the book did not permit some treatment of the historical development of the economy. To the uninitiated undergraduate particularly an account of the country's economic evolution would help greatly in his attempt to digest the economic problems of the present.

In his diagnosis of the Island's economic ills Sir Ivor Jennings is not always just or accurate. He attributes many of the defects in the economy to the dilatory workings of the Donoughmore Constitution, social barriers, conservative habits, lack of enterprise, social traditions of laziness and indebtedness, and a desire for security which expresses itself in a partiality for investment in land and in competition for jobs in the government service. Though Sir Ivor Jennings gives due place and credit to the undoubted value of the British régime in deve-



loping 'at least the plantation industries,' it is rather disingenuous of him not to recognize that the desire for security, lack of business enterprise and traditions of laziness and indebtedness are not so much qualities rooted in the national character as the deep-seated but not ineradicable effects of 350 years of foreign rule. During these years native enterprise was overtly or tacitly discouraged or at best canalized in directions like the clerical service harmless to the interest of the ruling class which Sir Ivor admits consisted then of the European residents. I do not think it would be jingoism on my part to say that talk of traditions of laziness and indebtedness is a little unfair to a people who in a civilization of their own built the great tanks and maintained a flourishing and contended peasant economy for several centuries. Sir Ivor Jennings' diagnosis therefore does not go sufficiently deep to distinguish between what are the inherent features of the national character and the transient though deep-seated effects of 3 centuries of foreign rule. Indeed it is somewhat amusing to watch Sir Ivor's attempts to explode what he calls popular prejudices about British imperialism and exploitation by a subtle form of special pleading.

The most valuable portions of the book deal with his criticism of the present economy and his suggestions for its future development. His argument briefly is that while the tea, rubber and coconut export industries should be developed, the present strain they shoulder should be relieved by a judiciously selected programme of industrialization together with an efficient system of marketing and propaganda designed to expand the rural economy. With this economic policy he advocates the closer co-ordination of the educational and health services and therefore considers that an effective scheme of compulsory elementary education from the ages 5 to 14 supplemented by a generous scholarship system should replace the present Free Education Scheme, which, being free only in respect of the child's fees and not his maintenance, merely subsidizes the middle class parents without extending effective education to the poor.

The crucial question, however, is not merely how to develop the country's economy and increase its standard of living and maintain full employment but how to do so in such a way as to ensure effective insulation of the economy against the inevitable trade cycle. If this should be the object of economic policy (there is no doubt that this is the main preoccupation of all free governments everywhere), Sir Ivor Jennings' recommendations are wise in so far as they concern the need not only to develop the present export trade in primary products but also to exert utmost efforts to further schemes of international commodity control. He is not so sound in his suggestion that our future industries should concentrate on the production of 'Oriental goods of good quality' such as jewellery, silks, carpets, brassware etc. for which there is a substantial market in Europe, America and India. Unfortunately in a depression foreign expenditure on such luxury goods will be the first to fall off and the purpose of industrialization in any economy like ours would be lost. Our industries should be carefully selected mainly though not wholly with an eye to the internal market. For, as Sir Ivor Jennings says, as population is drawn into the new urban industries, holdings in the country will become more econo-

mic, marginal producers will be bought up and with an efficient system of marketing and propaganda the rural areas would be able to supply garden produce and perhaps food grains to the industrial population who would in turn be able to meet with industrial products the new purchasing power of the rural population. In the event of a falling off of external markets, the State should be prepared to subsidize these industries and initiate a programme of planned public works to maintain full employment and prevent the effects of a depression elsewhere spreading to the Island. This again entails an enlightened budgetary policy which would budget for a surplus in boom periods so as to meet enforced deficits in periods of slump.

The best tribute that could be paid to Sir Ivor Jennings' valuable pioneering effort by undergraduates and the public, is to produce equally well documented specialist monographs on various aspects of the economy of Ceylon. To the government its value will be, apart from the undeniable stimulus of its ideas, to bring home to it the imperative need for a more efficient statistical service without which the accurate formulation of the country's economic policy is impossible.

M. W. H. DE SILVA

OLD CHINA HANDS AND THE FOREIGN OFFICE. By Nathan A. Pelcovits. (New York: American Institute of Pacific Relations 1948, \$ 3.75)

This handy volume deals with Anglo-Chinese relations of the nineteenth century. The author has adduced documentary evidence to challenge the long accepted theory that British merchants engaged in the China trade and British diplomats concurrently formulated the China policy of the British Foreign Office. The united demands of the Old China Hands were to Indianize the Manchu Empire, but the Foreign Office pursued an independent policy of conciliation and liberalism towards China. The Old China Hands urged a British Protectorate in the Middle Kingdom, but they were ultimately defeated by Lord Clarendon to those of Lord Balfour, all of whom steadfastly championed the cause of preserving China's national sovereignty. British official policy, according to the findings of the author, was to protect her ever expanding trading interests, and not to inaugurate the policy of conquest and enslavement of the Middle Kingdom.

The dismemberment of China, according to several reputed writers, was prevented from causes ascribed to the rivalries, jealousies and conflicts of interests among the Great Powers—Russia, Britain, United States, Germany and Japan—rather than to the liberal policy of the British Foreign Office. Britain, no doubt, gave assurances to the Manchu Court to protect China's national sovereignty, but it was merely a diplomatic gesture to appease the turbulent Chinese people. By the Treaty of Nanking concluded in 1842 after the Opium War, the British Government first took Hongkong against its declared policy of safeguarding China's territorial integrity. And later in order to keep the balance of power, Britain took Weihaiwei under threat, when Port Arthur was occupied by Russia. Britain pursued a dual policy in China; one that of liberalism and humanitarianism in theory, and the other

that of conquest and exploitation in practice.

The Old China Hands were the watchdogs of British Imperialism and trading interests in China. They represented British trade through their numerous Chambers of Commerce in China and in England. Close relations existed between these Chambers and the British Foreign Office. Their views though not fully accepted by the Foreign Office were the real factors that moulded Britain's official China policy. J. O. P. Bland, T. W. Overlach and Dr. Philip Joseph were unanimously of opinion that British foreign policy was determined by commercial interests and it represented in the main the collective opinions of British traders.

No words would be more truthful than those of Dr. Philip Joseph. In his careful study *Foreign Policy in China 1894-1900* he says that the Foreign Powers employed diverse physical, political and economic weapons to reduce China into a state of vassalage to them. Harassed on every side, the Chinese lost their perspective. They were gradually compelled to surrender their sovereign independence. Their country was treated by the Powers as if it were incompetent, incapacitated, devoid of real power and possessed of no organized corporate will. And according to Dr. Sun Yat-sen, China became a 'hypo-colony' of the Great Powers.

The pathetic story of China's conversion into a 'hypo-colony' has been vividly described by Generalissimo Chiang Kai-shek in his monumental political thesis—*The China's Destiny*—published by Macmillan. The works of Dr. C.L. Hsia, Dr. Wellington Koo, Mr. Tang Liang-Li and above all those of Dr. Sun Yat-sen, Father of the Chinese Republic, will help us to study Anglo-China in her true perspective.

For more than two hundred years, China had to groan under the heavy heels of Western imperialism. Consular jurisdiction, extra-territorial rights, Concessions and Settlements, foreign troops and police, heavy indemnities, foreign controlled postal service, and railways and maritime customs, leased territories, the opium trade and non-reciprocal conventional tariffs, above all the fleet of Gun Boats watching vigilantly to dictate terms reduced China to a helpless state of absolute vassalage to the Great Powers. This state of affairs was worse than actual military occupation and outright annexation. The Old China Hands of the type of Jardines and Sassoons and those veteran British diplomats like Sir Harry Parkes, the Warren Hastings of China, left no stone unturned to convert China into a 'hypo-colony' of the Great Powers. To absolve the British Foreign Office from the responsibility of enacting this grimmest tragedy in the peaceful land of Confucius would be like rewriting the entire history of Anglo-Chinese relations which is nothing but a travesty of truth.

I congratulate the author for his brilliant and remarkable brief for exonerating the British Foreign Office from the calumny of territorial aggrandizement committed in China during the nineteenth century, the vestiges of which are visible even to this day in the continued occupation of Hongkong.

V. G. NAIR

NEW PATHS FOR JAPAN. By Harold Wakefield. (London: Royal Institute of International Affairs, 1948, 15s)

Very few Occidental writers have ever attempted to analyze Japan and her aspirations without being swayed by their preconceived notions and national self-interests. Those few who have dispassionately tried to probe into what is called the 'Japanese enigma' have invariably incurred the displeasure of the governments and politicians of their respective countries. The author of this book sees Japan through his coloured glasses, though he is right when he asserts that Japan promoted military imperialism to stabilize her undisputed supremacy in the Far East.

A close examination of the book reveals a lack of comprehensive knowledge of Japan on the part of Mr. Wakefield. Not only has he lost sight of impartiality by rehashing the patent opinions of the Anglo-American oligarchy, but he has taken a rather one-sided view of the whole case, for he has made no attempt to point out why Japan went on the war path *vis-a-vis* the Anglo-American interference in Far Eastern affairs. In passing judgement on Japan he has taken as gospel truth the Anglo-American documentary evidence. It is a pity that he has not presented the Japanese side of the case by referring to relevant Japanese documents from the start of the Manchurian affair to the capitulation of Japan. For the sake of fairness he ought to have done so. However, the author has quoted from certain Japanese sources chiefly to substantiate his theme that Japan had deliberately fostered imperialism to carve an Oriental Empire of her own. Had he made impartial use of even these Japanese sources, he would have found that Japan had very legitimate grievances against Britain and the United States for their imperialistic intentions toward the Far East. For instance, he should have evaluated the Japanese standpoints portrayed in the numerous publications of the Foreign Affairs Association of Japan.

Mr. Wakefield has ignored the factors which gave birth to Anglo-Japanese alliance and its death with the conclusion of the Four-Power and Nine-Power Treaties, as well as the Washington Naval Agreement. Any impartial observer will see in these historical factors the reasons which prompted Japan to fall out with Britain and the United States. And because Japan parted company with them the Anglo-American nations there and then decided to teach Japan a lesson and separate China from her.

Indubitably, Anglo-American imperialism directed toward the Far East propelled Japan to resort to militarism in a most aggressive manner with a view to bringing China under her control. So if Japan is to be blamed for becoming an aggressor, it is just and proper that Britain and the United States should be equally blamed for goading Japan to fire the first shot. No where does the author discuss this and the Open Door Doctrine; nor has he made any analysis of the Anglo-American economic war which was started against Japan by erecting tariff barriers. Then again the author has refrained from making a cross-section of the power-political position prevailing in the Pacific zone in 1940-41 and of the aims and objects of the Anglo-American military ring which was then being established to corner Japan.

The most serious omission on the part of the author is an appraisal of Japan's new Far Eastern policy initiated in October 1943. At least he should have made a critical but unbiassed reference to that policy and also to the Nanking-Tokyo Treaty of Alliance of that year, which stipulated Japan's respect for China's territorial sovereignty and the withdrawal of Japanese forces from China with the termination of the war. Those who had seen Japan from within were convinced that Japan about the end of 1943 had begun giving up her imperialistic policy towards China. It is undeniable that one of the fundamental causes of the outbreak of the China affair which culminated in the ensuance of the Pacific War was the Anglo-American policy to play China against Japan in order to force both of them ultimately to toe the line with them. Not only was China a victim of Japanese aggression but also she was a victim of the pluto-imperialistic power/politics of Britain and the United States.

Published under the joint auspices of the Royal Institute of International Affairs and the Institute of Pacific Relations, the book has sadly failed to deal with the problem of Japan in the context of international power and sphere politics. The new paths alluded to by the author for the evolution of a peaceful Japan are too stereotyped to deserve any serious attention. In reading the book one should take care not to be influenced by its delineations and estimations.

AMAR LAHIRI

NEW ZEALAND. Edited By Horace Belshaw. (University of California Press, 1947, \$ 5.00)

I have been asked to review *New Zealand*, one of the United Nations Series, published by the University of California Press, and, in the General Editors own words, '.....dedicated to the task of mutual understanding among Allies of the Second World War and to the achievement of successful co-operation in the peace.' It consists of fourteen chapters, each on a different aspect of New Zealand, contributed by twelve men each an expert in the field of which he writes.

I find on investigation that to 'review' is 'to write an appreciation or criticism of', and that 'criticism' is 'the action of passing (especially unfavourable) judgement upon the qualities of anything.' Judgement implies knowledge; it would be ludicrous were I to pit my knowledge against that of the contributors of the various chapters; so I am debarred from attempting a criticism. With criticism barred to me there is nothing left of the elements of a review except the element of appreciation and so my review must of necessity follow that course.

This method of compiling a book, by aggregating the contributions of a number of experts, has inherent in it an inevitable tendency to err in one way or another. Either the contributors overlap in coverage, or they leave some important aspect untreated. Either there is a lack of continuity of style and method of presentation of the material or there is evidence of heavy handed editing. It is to the credit of the editor that these tendencies are nowhere

very obvious. True, style and method vary. Thus Chapter I gives a dramatic and exciting story of the 'Discovery and Exploration' of New Zealand while Chapter VII 'The Farming Industry' is replete with facts soberly presented. The contributor of Chapter X 'Social Legislation' is fairly obviously a supporter of the social experiments being conducted in New Zealand, he feels strongly and writes strongly. Contrast this with Chapter II 'Physical and Cultural Geography,' a contribution which approaches the acme of academic disinterestedness. Possibly this difference is not unconnected with the fact that the contributor of Chapter X is a New Zealander while that of Chapter II is an American who spent some time in New Zealand as a teacher in one of the University Colleges. He is the one 'foreigner' among the contributors and herein lies both the strength and possibly the weakness of this book. The native born, and the man who has lived long in a country, have a command of detailed knowledge that the foreigner cannot better and can seldom rival. He grows up with the facts of his country all round him. As things occur so does he learn of them. The weakness lies in the fact that we are, most of us, biased towards our own country, and often lack that breadth of knowledge that is essential before valid international comparisons can be made, so it is possible that there has been a tendency to 'write up' New Zealand. The international experience and the scholarship of the contributors is a guarantee that this tendency has been minimized.

For the general reader, wishing to gain an appreciation of a far distant land, this book is ideal. For the student there is sufficient elaboration to satisfy anything short of a detailed research into some particular aspect of New Zealand. If detail is lacking in the text the student will find abundant references to his hand in the Selected Bibliography which by the way, together with the index, places this book firmly in the category of a reference work.

The dedication of this book to the task of mutual understanding is no idle words for it is a real instrument of understanding. It remains to the reader to use it as such.

R. J. INGLIS

- (1) EMPLOYMENT, UNEMPLOYMENT AND LABOUR FORCE STATISTICS—A Study of Methods. (Geneva: International Labour organization, 1948, 75 cents; 3sh 8d)
- (2) COST OF LIVING STATISTICS (Methods and Techniques for the post-war period) (Geneva: International Labour Organization, 1948, 35 cents; 1sh 6d)
- (3) METHOD OF STATISTICS OF INDUSTRIAL ENGINEERS (Geneva; International Labour Organization, 1948, 25 cents; 1sh)

The above three publications of the International Labour Office are reports prepared for the Sixth International Conference of Labour Statisticians held in Montreal from 4 to 12 August 1947. The I.L.O. has been doing ycomen service to standardize Labour Statistics with reference to methods of collection of data, definition of terms etc. and has on its staff persons who have long

experience of these matters. This rich experience is used to bring together the practices of the different parts of the globe to the greatest common measure of agreement. Unless such uniformity is achieved the international comparison of statistics and the inferences drawn therefrom are likely to be fallacious.

The first report is divided into 5 parts. In the first, the objectives of the collection of employment and unemployment statistics are clearly brought out; and the definition of the different terms involved and the method of reporting systems in different countries are summarized in a neat form. The second part deals with the Employment series in the different countries, and their different breakdowns and averages. One chapter in this part deals with the use of sampling techniques for the collection of this data. The relative advantages and disadvantages of the Establishment Sample method and Labour Force Survey method are very well brought out. Suitable adjustments for the different kinds of trend bias also are discussed in this section. Part III deals with similar questions relating to unemployment data. In this connexion the relative accuracy of data obtained from employment exchanges, trade unions and social insurance agencies is very important. The fourth part deals with the consistency of the data collected, the international comparability, publication and other general issues. This report was circulated in advance to the governments and later, it was discussed in the preparatory meeting of the statistical experts held in Montreal from 4th to 7th March 1947. The report was revised in the light of the discussions and is now printed separately from the proceedings of the conference for the use of a wider public. In the final part, the resolutions proposed for the conference are given.

World War II has brought about great changes in the concept of 'Cost of Living' as also the use of cost of living index numbers. The need for making appropriate changes in the national series of cost of living, which is now called consumer's 'price index' in the U.S.A., is felt in all countries and the I.L.O. has again given the correct lead in this matter throughout their report on Cost of Living Statistics and the resolutions passed on its basis. The first chapter deals with the purposes of Cost of Living Indices and the different groups of population for which these are usually calculated. The second chapter deals with technical problems connected with the compilation of these statistics. The first problem is regarding the selection of a representative sample and then determining a list of goods normally required by the group of people represented therein. The collection of the preliminary data and the serial price statistics requires an organization with well trained staff. In this connexion, studies relating to the determination and correction of biases in reporting prices are also necessary. The war has given rise to various forms of black market prices, some not recognized and others ignored. If the official estimates ignore them and stick to controlled prices, the resulting series will be underestimates. This brings a number of problems which are discussed in this chapter. The third chapter deals with problems related to weighing, and the problems that arise in cases of seasonal items etc. like fruits and vegetables, clothing, fuel etc. This leads to the need for a study of consumer purchases and their changing patterns, in all of which the tech-

niques of sample surveys have important bases. When any system of weights is to be introduced, the technique of linking should be followed, to maintain comparability with previous figures in spite of the limitation of this method. The final chapter gives the resolutions proposed for the conference mentioned above.

The compilation of statistics of industrial injuries has come to prominence only in recent years. Although this question was discussed in the First International Conference of Labour Statisticians in October 1923, recent experience has shown the need for the revision of the recommendations adopted in that conference. The main problems in this connexion are the definition of the terms to make their meaning explicit covering transport and agricultural workers also, and including accidents for which no compensation is given, as also the incorporating within the definition major industrial diseases. The classification of accidents is also an important problem. With regard to frequency of injury rates, it is found more convenient to calculate them for 1 million man-hours instead of 100,000 as is now the practice, and where it is not practicable to obtain man-hour data, it is found expedient to use the number of full-time workers (calculated whenever possible at the rate 2,400 hours per year) or by the average number of workers during the year. As regards the classification of frequency rates, the major groups would be fatal and non-fatal and the latter can be sub-divided according to the duration, say, one-day, two-days etc. to indicate the importance of the seriousness of the injury. It is proposed that security rates also should be calculated on the basis of working days lost per 1,000. These rates are proposed to be classified according to the nature of disability, namely, death, permanent total, permanent partial or temporary and the basis for fixing the above is also discussed. All the questions have been exhaustively dealt with in the first and second chapters of the small brochure entitled *Methods of Statistics of Industrial Injuries*. The third chapter gives the proposed resolutions for the conference. This pamphlet has two useful appendices, the first giving resolutions of the previous conference and the second, the recommendations of the American Standards Association for compiling Industrial Accident Causes.

These three books will be very useful additions to the library of any student of Labour Statistics and it is to be hoped that the governments of different countries will soon make arrangements for the compilation of their statistics in conformity with the recommendations made therein.

N. S. R. SASTRY

**CIVILIZATION ON TRIAL.** By Arnold J. Toynbee. (New York: Oxford University Press, 1948, 12sh 6d net)

This is an important book, and to read it is to share in a rare and rich experience. For perspective, range and grasp of fact and ability to co-ordinate and synthesise Mr. Toynbee stands alone today in the field of historical study; and in this collection of essays he has given us his reflections on diverse themes, historical and political. On every subject that he handles he has something



worth while to say, and every suggestion of his gains strength from the fact that behind it lie long years of careful study and thought. And it is significant and hopeful that, because of his 'synoptic vision' he is able to look past the follies of man to the fundamentals and to insist that in spite of the besetting dangers all is not lost.

The most stimulating essay in the book is the one now published for the first time: 'The Unification of the World and the Change in Historical Perspective'. It is a master's utilization of facts culled from far and near to establish conclusions of immediate importance. For the last four centuries, says Mr. Toynbee, the world has been physically interdependent and mankind has been gathered into one society; but while the majority of people have adjusted themselves to this new condition and assimilated the teachings of other civilizations, the West persists in looking at history from its old parochial self-centred viewpoint. 'We Westerners are the only people in the world whose outlook on history still remains pre-da-Gaman'; what is needed is reorientation in the literal sense of the word. The idea that man today has a common heritage of culture and is indebted equally to Aquinas and the Gita, Marx and Lao-tse has been reiterated often enough by philosophers; but it strikes us with a new impact when reading this book. For Mr. Toynbee does not advocate it as a cause but proves it as a conclusion, utilizing for this purpose his vast erudition and scholarship.

Another interesting essay, though of thinner texture, is the one on 'Encounters between Civilizations'. It is from such contacts, says Mr. Toynbee, that the higher religions have been born. Here he is on firm ground; but he goes on to suggest that these are the most splendid achievements possible. Why? Mr. Toynbee lapses into an *ipse dixit*; all the more glaring in that he is usually so careful to substantiate his claims: 'For religion, after all, is the serious business of the human race'. It is a statement of faith which all will not accept and few will allow to pass, for it colours Mr. Toynbee's whole outlook. He is a profoundly religious man; and this, however creditable to him personally, is alas! a handicap to a historian.

S. GOPAL

AN HISTORICAL AND POLITICAL GEOGRAPHY OF EUROPE. By N. J. G. Pounds. (London: George G. Harrap & Co. Ltd. 25sh)

Within the compass of slightly over 500 pages, the author has attempted to trace the entire course of the historical geography of Europe, starting from a consideration of the physical background, and ending with the drama now being enacted upon the European stage, with several chapters on extra-European relations and the territorial problems of the Imperial Powers. Naturally the reading is heavy in many places, mostly in the earlier chapters which deal with ancient and medieval times and none will be able to follow the trend of the historical events with their geographical background without a thorough knowledge of the history of these periods. Yet the book was originally written as a text-book for those preparing for the Higher Certificate examination, but was somewhat extended in order that it may appeal to a wider

public. But the book bears the stamp of the author's scholarship and in his analysis of the geographical factors which have influenced the course of European history, he rightly emphasizes the part played by environment, race, religion, and the state of economic development in the different periods in different countries. The treatment is refreshing and frees us from the conception of absolute determinism as the sole or the most important factor in historical geography. The causes of the rise and fall of the Holy Roman Empire, of the rise and fall of Napoleon and the more recent Hitlerian aspiration of world domination and its destruction have been analysed in a masterly way. The greater strength of a land-based empire as opposed to a sea-based one and the ultimate victory of the latter has been admirably brought out in each case. Problems of natural frontiers have been fully discussed and the difficulties of attaining it in natural geographical units such as river basins have been pointed out. Lastly the fallacy of the 'heartland' theory of Mac-kinder in an air-age world has been well pointed out. In the present unsettled conditions of world politics, the conclusion to which the political geographer comes for a peaceful solution of the world's problems has been aptly stated by the author as follows: Humanity is faced, as it always has been, with the alternatives of planned development, 'the orderly exploitation of resources for the benefit of mankind, and international chaos, the law of the jungle.

S. C. CHATTERJEE

EXPANSION OF WORLD TRADE AND EMPLOYMENT. *By* N.A. Sarma. M.A. (Bombay: *Commerce Ltd.* 1947, Rs. 2-8)

This monograph is a close study of the International Trade Charter. Mr. Sarma has taken pains to analyze the general problem of trade and employment against the international economic background and has pointed out the various implications of the acceptance of the Charter. He has collected valuable data and has not erred on the side of making his study too brief and sketchy. It should be a useful handbook for the increasing number of politicians and administrators who are being called upon to take an intelligent interest in such problems. Most of the author's conclusions will be readily accepted in this country.

N. S. PARDASANI

SOCIAL SECURITY. *By* N.A. Sarma, M.A., (Bombay: National Information and Publications Ltd., Rs. 2-4)

Mr. Sarma explains here in brief the scope of Social Security measures and gives a lucid account of the policies adopted in other countries. He then examines the scope of the problem in India and shows the lines along which the same should be tackled. He comes to the conclusion that 'in view of the special conditions obtaining in our country, especially the poverty, squalor and ignorance of those who are to be insured, an over-all plan of social security takes time to be evolved, the employer contributions should exceed that of the employee, while the State should assume much greater responsibility.'

He anticipates the criticism 'Can we afford it?' and has an effective reply ready: Can we any longer afford to do without it?

This is obviously an introductory study and is intended to provoke thought. It is written in a vigorous and inspiring style and bears marks of genuine interest felt by the author. It throws out some valuable suggestions which will have to be worked out in much greater detail before they could be accepted in terms of policy.

N. S. PARDASANI

ROME. *By* Warde Fowler. (London: Geoffrey Cumberlege O.U.P. 1947, 5sh. net)

In this excellent addition to the H.U.L. series the author has condensed into a few pages the vast and interesting history of the expansion of the mighty Roman Empire and of Rome's contribution to civilization. Speaking of the Romans as 'the most practical people in history', the author makes an admirable combination of the social and political history. By quoting anecdotes illustrative of Roman genius and character, the human touch, so essential to any history book, is supplied. Written in a simple and lucid style, the book does not omit a single important detail of Roman history. It starts with a study of Rome as a city state, goes on to tell of her advance in Italy, and then of her expansion throughout the Mediterranean region.

A few chapters are devoted to the work of the great reformers of Rome in the internal administration of the State. One particularly interesting chapter in the book deals with the training of Roman character, a training that made the Romans, 'people not of imagination, but of action, a people intensely alive to the necessities and difficulties of human life.' Attention is drawn from time to time to the canker that ate at the heart of Roman civilization, and of the Roman Empire, and that finally brought about its downfall. In conclusion the author speaks of the great debt of gratitude modern civilization owes to Greece and Rome. This is undoubtedly a book that should be in every history library and is especially suitable for those who wish to have an outline history of Rome.

(MISS.) M. ACHAYA

INDO-U. S. TRADE. (Bombay: Secretary, Indian Merchants Chamber 1948)

The appearance of this booklet should be welcomed by the Indian commercial and mercantile community, since it gives a bird's eye view of the conditions of trade and commerce obtaining in the U.S.A. and India. The booklet is divided into five sections dealing respectively with the Economic Background of the U.S.A., the Pre-war Economy, the War-time Changes in the United States, the Prospects of Post-War Trade between India and the U.S.A. and Conclusions. Before the war the trade between India and the U.S.A. was not very appreciable, and was marked by a net export balance in favour of India. India's main imports from the U.S.A. in the pre-war period, were machinery, including gas engines, agricultural and mining

machinery, motor vehicles, long staple raw cotton, while on the export side, jute and jute manufactures, raw hides and skins, shellac, mica, cashew nuts and carpets wool were among the more important items. During the war the trade between the two countries recorded a substantial increase. From Rs. 24 crores in 1938-9 the value of our foreign trade with U.S.A. shot up to Rs. 82 crores in 1941-2. In 1944-5 the U.S.A. was the largest supplier of goods to India and the balance of trade which till now was in India's favour turned against her. Regarding prospects the booklet says that jute manufactures, wool, mica, shellac, manganese ore, cashew nuts, hides and skins on our export side and capital goods, heavy machinery, and other consumer goods, like photographic goods, fountainpens on our import side will have markets in future. Foodstuffs are imported at present from U.S.A. because of the abnormal situation in India and cannot be taken to mean the opening of a new market. But this depends on certain factors viz., the difficulty of importing goods from dollar areas (the latest sterling balances agreement allows only £ 15 million for the first year to be convertible into hard currency), commercial policy and the feeling in American business circles that a settled constitution for India is a pre-requisite to stable trading conditions. Certain figures are inaccurate e.g., while imports into India from U.S.A. in 1941-2 were valued at Rs. 34.6 crores, the author has inadvertently put it at Rs. 12 crores. A better appreciation of India's foreign trade would have been possible if statistics regarding exports and imports were given in rupee value instead of in dollars.

V. K. M. MENON

### FOREIGN BOOKS ON INDIA

MY INDIAN YEARS. 1910-1916. (London: John Murray, Albemarle Street, W. 1948., 10 sh. 6d. net)

Whether the viceroyalty of Lord Hardinge is examined from the Indian angle or in the light of contemporary ideals of British imperialism, a student of history must admit that with the exception of Lord Mountbatten's tenure it was the most crucial period of British rule. It included many important events. The King Emperor's Durbar in 1912, the first and last pageant of its kind held in a whirl of oriental splendour, dazzled princes and durbaris, could not but dampen the ardour of Indian nationalists. The grievous wound which had been inflicted on Bengal due to its partition and which had, according to Lord Hardinge 'made the Government of Bengal practically non-existent as far as maintenance of peace and order were concerned' was healed by reuniting the two Bengals, but it could not arrest the growth of revolutionary and terrorist activities. The transference of capital from Calcutta to Delhi regarded as a 'bold stroke of statesmanship which would give universal satisfaction and mark a new era in the history of India' incurred the displeasure and to some extent the alienation of the Calcutta sahibs who scented danger to their mode of easy life sustained on whiskies and sodas. The First Great War into which India was dragged, more ceremoniously than the second, gave to Indians an

opportunity of displaying their valour and upright bearing and also quickened the seeds of patriotism.

But the most significant—one might almost say prophetic—remark of Lord Hardinge and the clear realization of its implications was a quotation from Gokhale, the great Liberal leader whose contribution to Indian nationalism can never be forgotten: 'On one occasion I (Lord Hardinge) said to him, "How would you like it if I were to tell you that all the British officials and British troops would leave India within a month?" He replied: 'I would be very pleased to hear that news but before you had reached Aden we would be telegraphing to you to come back again'. When in 1947, the last British soldier left the Indian soil, he was wildly applauded but Indians invited him to come back again, not as a ruler but as a servant of the Indian people.

At another place, Lord Hardinge notes the oriental attitude to life: 'I was told' he writes 'that after the King and Queen had left the central thrones there was a rush of Indians to the spot who kissed the thrones and even the ground where Their Majesties had stood.' The curious sight was witnessed again on 30 January 1948. The spot where Mahatma Gandhi fell, shot by the assassin, was kissed by the Indian crowd. The veneration of the Indian public to Mahatma Gandhi was equal to, if not greater than, their veneration to a King who ruled over them by an accident of fate.

Lord Hardinge's reminiscences, grave and gay, are written in a simple, easy language and abound in such prophetic revelations which suddenly rocket us into the future and make us wonder why, despite these frank utterances, Britain took over 35 years in reaching the decision to leave India to the people of India.

Besides giving an insight into the minds and characters of Englishmen who ruled India between 1910 and 1916, the book narrates their intrigues and petty jealousies, trivial disputes and *shikar* interludes. The value of the book, however, is not because of its treatment of national and historic events as in drawing a portrait of Lord Hardinge himself. Lord Hardinge as he emerges out of this book is not one who loved display of riches and might but one who was an unaffected, unassuming, modest and kind man. Though typically English, his imperialism is only skin deep. Though he attended innumerable formal parties, he yearned for a quiet and homely life.

He carried on the duties of his high office under the shadow of tragedies. His wife, who had been his main support in India, died suddenly and his eldest son was killed in fighting. Many of his trusted lieutenants had to be sacrificed to the war gods. A lesser man would have been broken by such tragic events, but Lord Hardinge carried on. His achievements were thus more important since he had a sincere devotion to duty. The rewards in the shape of titles were a poor compensation for what he did for the progress of India and Britain.

Lord Hardinge is not a great writer, but he writes attractively. His modesty invests the book with a unique charm.

INDIAN ART essays By H.G. Rawlinson, K. de B. Cordrington, J.V.S. Wilkinson and John Irwin. Edited by Sir Richard Winstedt. (London: Faber and Faber, 1947, 7s. 6d. net)

ARTIST IN UNKNOWN INDIA By Marguerite Milward. (London: T. Werner Laurie, 1948, 21s. net)

Many Indians living in London, during the Royal Academy Winter Exhibition of Indian Art at Burlington House held last year, must have been bewildered, as I was, to find that Indian art inspired on one side, overwhelming appreciation of English writers, and received on the other side, apathy, even hostility of the English public. The truly flattering enthusiasm of the societies, associations and individuals engaged in disseminating Indian art and culture which took various shapes over the months—such as receptions, parties, letters to the London editors, special numbers of journals and several new books—should have diverted a part of the big crowd of Londoners from the art galleries exhibiting mediocre paintings to this rare and unique show. Why did Indian art fail to rouse the average Englishman to a consciousness of its beauties and excellence? What are the reasons which rendered the book *Indian Art* and many other publications timed to coincide with and serve as general introduction to the Indian Art Exhibition ineffective?

The reviewer of the symposium of essays on *Indian Art* has to face these questions boldly, as they are relevant not only to the consideration of Indian art in general, but also to this book. I know from personal experience that the organizers and writers spared no pains to popularize the Exhibition. Did the fault lay among the people, then, or are there any inherent shortcomings in Indian art?

It would be wrong to assume that the English people are an inartistic nation. They queued up in hundreds of thousands everyday to feast their hungry eyes on the Van Gogh paintings which had far less publicity than the Exhibition, and they flocked to the Summer Exhibition of the Royal Academy, which according to many art critics displayed canvases suitable for use in packing goods than for hanging. Will it be right to say, then, that Indian art repels or is now incomprehensible?

Before examining the treatment of Indian art in the book, it will be useful to survey the history of art criticism in Britain.

The art criticism, following Ruskin's forthright condemnation of Indian art, can be classified into three categories. Erudite books written by oriental scholars could not attract the notice of an average English reader, while excellent reproductions of Indian art were wasted because they generally lacked explanatory footnotes necessary to those whose knowledge of India was limited. Potboilers on Indian art, which may be included in the third category, were generally written by writers who like Ruskin were ignorant of the conditions and circumstances which gave rise to conventional iconography, and which is perhaps the greatest obstacle in the way of appreciation of Indian art in foreign countries.

Another reason which contributed to the unpopularity of Indian art is the insistence on classical Indian art at the expense of modern and living Indian art.

*Indian Art* is in many ways a better and a more readable book than earlier publications. In an objective, analytical, brief and diligent survey of historical events, Rawlinson has supplied much useful background information essential to an understanding of Indian art. Wilkinson ably interprets and explains the qualities and facets of Indian painting, and though he falls into a terminological error by confusing *Silpin* (craftsman) with *Chitrakar* (painter), he has not sacrificed accuracy to dilettanteism. It is, however, Irwin who shows a wider and more infallible grasp of his subject. His definitions of the two forms of narrative art—continuous and relief—and a masterly account of the progress of Indian sculpture are illuminating. The essay on the minor arts of India is sketchy and the weakest in the book.

The failure to emphasize the modern aspect of Indian art, that is, its development during the XIX and XX centuries, is a defect which the book suffers in common with the Royal Academy Indian Art Exhibition. A representation of ancient and mediaeval Indian art, classical and often transcendental though it is, somehow gives the impression that India has ceased to grow. Had the books and the exhibition endeavoured to present good specimens of modern Indian art, which stand favourable comparison with contemporary art elsewhere, I contend that Indian art, in general, would have been more popular in Britain.

*Artist in Unknown India*, rather a travel diary than a book on art, is very unsatisfactory, and contributes little to Indian art criticism. Marguerite Milward, an English sculptress, visited India on an anthropological mission in 1935. She sculptured about 60 heads of tribal men and women who lived in remote and unfrequented parts of India.

Mrs. Milward is an adventurous traveller but a poor writer. Her critical judgements, irrational and often replete with meaningless and inappropriate phrases, are generally unreliable, and her account of the customs, ceremonies and rites of the Indian people should be accepted with caution. Accuracy and balance in criticism are not her virtues, and one suspects that she permitted her views to be influenced by the warmth of hospitality she received from various provincial and state officials.

Although her appreciation of ancient Indian art is couched in superlatives she is unable to admire it from a right perspective and fails to enter into its spirit. To her, India is a strange country, alien, quaint, vast and primitive and in spite of her wide travels, the real India eludes her.

And lastly, like other western writers she ignores the living, modern and new India. True, life is short, art is lasting, but it is life which inspires art and on which it rests. Any study of Indian art, therefore, would be necessarily incomplete, even wrong, if it neglects modern trends in Indian art.

**BRAVE NEW INDIA** By H.L. Hurst. (London: Livingstone Press, 1947)

**INDIA CALLING** By T. Howard Somervell. (London: Livingstone Press, 1947, 6s. net)

**THE INDIA BOOK** Edited By Joyce Reason. (London: Livingstone Press, 1947, 3s. 6d. net)

*Deus vult!* The crusading missionary's cry that Truth and God are on his side and that salvation is granted only to those who enter the Kingdom of Christ would necessarily be distrusted by students of Hindu or Islamic religion. In what way, they may ask, are Christian metaphysical and mythological speculations on God and Self, This World and That World superior to, or less logical than of Hinduism or Islam? Indeed, the Hindu, being the proud inheritor of more ancient religious thought may claim Truth and God as his sole monopoly, since the destructive influences of Time, and social, moral and economic upheavals merely reformed, but failed to obliterate Hinduism.

How far will the above three books—all of them propagandist tracts written with the object of spreading the Gospel of Christ—succeed in converting readers to the Christian view, or propagating the ideals of true Christianity (a subject *odium theologicum*) is doubtful. Nor will it be considered correct or convincing to jump to the conclusion, after a superficial analysis of Gandhism, that Mahatma Gandhi, though born a Hindu, was really a Christian in his way of life. We are, naturally inclined to overlook, and in some parts, dismiss at first sight, *Brave New India's* Christian message to the Hindu, or Somervell's interpretations of popular Hinduism and Islam, or *The India Book's* rather vague condemnation of superstitions.

But, although the books are not scholarly, or even well-written, they publicise adequately the achievements of the London Missionary Society which has been doing noteworthy humanitarian and welfare work all over India for the last hundred and fifty years. The activities, experiences and impressions of missionaries who came to India—Nathaniel Forsyth, who organised a mission station at Chinsurah (Bengal) in 1798 was, we are told, the pioneer missionary narrated in a simple, unadorned style. Fortunately the writers have not adopted subtle propagandist methods to proclaim their successes. They frankly state that the underlying motive for establishing hospitals, sending medical missions, opening schools and extending financial assistance to the Indian people was to prepare the ground for conversion to Christianity.

It should be admitted in fairness to the Christian missionaries, that they have, and are, rendering invaluable service to the poor and low caste Indians, particularly in the southern parts of India and in the provinces of Bengal and Assam. They reclaimed down-trodden people, and brought comfort and happiness into their lives. They supplied medical aid to the sick and weaned them from evil habits. In recent years, the LMS contributed £77,000 annually to missionary work in India. It manages five hospitals attending to half-a-million patients and 261 schools having twenty-five thousand students on rolls. These figures are impressive, but it is the sympathy and fellow-feeling of the missionary which are more impressive and significant.



*The India Book*, essentially a children's book, illustrated by numerous amusing sketches and drawings, like William Blake's famous poem 'The Little Black Boy', makes no distinction between the white and dark-skinned boy. In *India Calling*, containing thirty seven pictures of Indian life, Somervell displays a genuine concern for Indian masses. Hurst, in *Brave New India*—the best of the three books—asks the white missionary to shed his snobbishness, for India 'has much to teach the west.'

The vision of the missionary—that a free India will one day re-interpret Jesus Christ—is pleasing, but it is his ardent desire for service to the Indian people which deserves our whole-hearted praise.

SHYAM RATNA GUPTA

### OTHER BOOKS

**ECONOMIC CONSEQUENCES OF THE PARTITION.** By C.N. Vakil  
(Bombay: The National Information and Publishers Ltd., 1948, Rs.2-8.)

This is No. 2 of the series of Economic Handbooks designed by National Information and Publishers Ltd. with a view to retailing to the public a general analysis of the current economic problems of India. The publication of the series is an enterprise on which the Publishers and their renowned Editor Prof. C.N. Vakil are to be congratulated. In view of the increasing degree of interest that our public apparently are taking in economic matters in recent years, any step taken to inform them of current economic events is surely welcome.

The present volume done by the Editor himself aims at an objective analysis of the economic implications of the most conspicuous event of our generation,—the political division of the country into India and Pakistan. An attempt has been made here to assess, on the basis of available data, the relative economic position of the two Dominions as it will tend to emerge provided there are no 'material changes in the equipment and resources.' Population, area, agriculture, industries, trade inter-Dominion and foreign, transport, public revenue and expenditure—all these have been discussed with reference to detailed statistics relating to the two Dominions and a fairly complete picture of their respective economies has been provided. In the matter of collection and tabulation of statistics our author has taken the help of a group of trained investigators of whom the Bombay School of Economics and Sociology can well be proud. He can thus claim to have ensured a reasonable degree of accuracy in this direction—which in itself is a great merit of the book.

On the author's showing—and here again it is the definiteness about the finding rather than the conclusion as such that is really significant—except for food and foreign trade position, Pakistan will be much the weaker of the two in every respect that accounts for the prosperity of a nation. The most serious drawback in the economy of Pakistan will be in the sphere of industries. Not only is this sector much less developed, as it is, in Pakistan, but she is also precariously poor in respect of the basic resources that make for its proper development; except for petroleum and a negligible quantity of coal,

Pakistan does not have any of the more important minerals.\* This does not of course mean that the Indian Union can dispense, without damage to her own economy, with the co-operation of her neighbour. On the other hand, the analysis reveals, as our author emphasizes, 'the fundamental economic inter-dependence between the two Dominions.' This inter-dependence is historical in character and cannot easily be set aside.

In its own way, the analysis is clear and simple and will be found instructive to the public for whom the book is essentially meant. Indeed there is hardly anybody among us who could beat Prof. Vakil in respect of lucidity of style and clarity of exposition. The statistics presented are also authoritative enough to put the readers on the right track.

Yet, in spite of all this, one is constrained to say that the economist's curiosity begins just where Prof. Vakil ends. One would miss very much a reference to the economic loss to the two regions taken together by way of double cost of administration, impracticability of joint handling of various productive projects, transitional mal-adjustments (e.g. the emergence of a refugee class) etc. Apart from this general repercussion, how are the individual units affected by the bifurcation of public revenue? If, as is likely to be the case, Pakistan is harder hit, would she not try to snatch away some revenue from her neighbour in an indirect way if her foreign trade position warrants it? The export duty on jute is a case in point. However much we in India may dislike it, from the point of view of the economics of Pakistan, it may not be such a foolish thing as is often made out. Moreover, the pattern of regional planning that would be suitable for undivided India may now be found to be prejudicing the weaker unit. At some stage, in its economic development, therefore, it may perhaps have the sanction of economists for a little protection not merely against the 'confirmed foreigners' but, naturally, also against those who, whatever their emotional affiliations may be, have been turned into 'foreigners' by a piece of political manœuvre. And there is the probability of retaliation from the other side which cannot be dismissed either. No, the egg that has been scrambled on the political side cannot possibly remain intact on the economic side.

These are hard things, difficult to swallow,—and yet we would lose our perspective if we ignored them. The partition of India has been a tragedy of the first magnitude, and it should be the endeavour of thinking men on both sides to see that policies leading to further friction are avoided. But he who believes that perfect economic co-operation is compatible with political separation takes too *simpliste* a view of things. One would rather wish our economists to present the matter with all its realistic implications, to try to convince the public on both sides of the inevitable economic loss contingent on Partition, and to work them up towards thinking in terms of bringing the units back into some kind of political federation, be it ever so loose.

A. K. DAS GUPTA

\* For detailed figures concerning the industrial position and prospects of Pakistan *vis-à-vis* Indian Union, the reader is referred to Tables 13 and 16 of the book.

**INDIA AND PAKISTAN. AN ANALYSIS OF AGRICULTURAL, MINERAL AND INDUSTRIAL RESOURCES.** By G. L. Bansal M.A.  
(New Delhi: The Federation of Indian Chambers of Commerce. Rs. 2-8.)

Mr. Bansal has given a very detailed statistical picture of the resources of the two Dominions and the main tables, 65 in number, are for the most part up-to-date and make use of the latest figures available. The analysis confirms the general impression of the relative superiority of Pakistan in respect of food-grains and agricultural production generally and of the Indian Union in mineral resources and manufacturing facilities. What is not popularly realized, which the present publication serves to bring out, is the extremely limited scope in Pakistan for large scale industrialization and consequently for extensive general economic development. The power resources are poor. Her share of the total installed capacity of generating plants in pre-partition India is only 5.4 per cent. of the total and while there is some scope for further expansion, it is not likely that the resources of hydro-electric supplies, present or potential, will be adequate enough in the foreseeable future to support any extensive demand for power. Her resources of coal are even poorer. Her production is about one per cent. of the pre-partition total, while her resources are estimated at only 6.59 million tons of coal, unsuitable for metallurgical purposes. In respect of petroleum, she makes a much better showing, with a 2.24 per cent. share in the total product and our unexplored resources, possibly abundant. One of the prime problems of industrialization in Pakistan will be to maximize utilization of mineral oils as the chief source of power. The Dominion is glaringly poor in most minerals except gypsum, chromite, and antimony ores and has no resources of iron ores, mica, manganese ore, bauxite, manganasite. It follows that her industrialization will have to be of a very narrow character, confined chiefly of light and consumer goods industries, but even here her resources of raw materials are not as rich as may be assumed. Her agricultural production is concentrated on a limited number of crops. Unless steps are taken to diversify the agricultural production through deliberate crop planning, the raw materials, which her agriculture can provide for industries, are few in number. Raw cotton, raw jute and wool, of course, are there in large quantities. It will appear that industrialization of Pakistan will much be in the nature of development of textile industries, which incidentally is of some concern to the sister Dominion. Another matter for concern, Mr. Bansal rightly points, is that this country has been put in a position of having to find foreign exchange for large imports of raw cotton, raw jute etc., from what is now becoming a foreign territory. This necessitates a high level of exports from this country which in turn is possible only if industrial production in the country is maintained at full capacity.

**GENERAL ECONOMIC HISTORY** (of modern times upto 1914). By S.B. Mahabal, M.A. (Bombay: Vora & Co., Ltd., Rs. 5-8.)

Intended as an introductory text book for junior students in our Universities, the publication under review is a work-man-like piece. The author

has an easy, readable manner of narration, which is a merit in any text book. The evolution of economic institutions is studied in the historical perspective, on the basis of the comparative study of developments in major countries, with particular reference to India and the U.K. The book shows the weakness common to all elementary works of stopping short of discussion of more modern developments. In a work of this nature, it is perhaps too much to hope that there will not be stray instances of faulty inferences or statements. While commenting on the combination movement in the U.S.A., the author slips into the error of mentioning the business ramifications of some of the leading Managing Agency houses in this country of smaller development. This, of course, is an error in point of fact as well as analysis.

**AN OUTLINE OF BANKING SYSTEM IN INDIA.** By M.V. Subba Rao  
(Bombay: Vora & Co., Publishers Ltd., Rs.6-)

Mr. Subba Rao's work is a good example of what a text book is now required to be. It avoids the error of older books which tended to reproduce second hand abstract principles without an attempt to relate them to contemporary situations. At the same time, it does not commit the opposite mistake neglecting theory altogether. Important aspects of banking such as rural credit, industrial finance, commercial banking, financing of foreign trade are dealt with in detail and while no new ground is broken, available information is presented with clarity and straightforwardness. One misses a chapter on the practical business of banking. In future editions, it is suggested, that the author may make an attempt to take the student-reader behind the Bank counters and show him what exactly happens there on a typical working day.

V. BALASUBRAHMANYAM

**WHITHER INDIA?** Edited By Iqbal Singh and Raja Rao. (Baroda: Padmaja Publications, 1948, Rs. 6-8.)

This anthology seeks to give the reader a knowledge of the various political viewpoints prevalent in India today. Mr. Jawaharlal Nehru in an article written in characteristic style many years ago, poses the question that provides the title to this book; and there follow accounts of the various directions advocated by the different schools of political thought in this country. The ideas of Gandhiji are set forth in a refreshingly scientific manner by Mr. Nirmal Kumar Bose; Mr. Jaya Prakash Narain's statement of the Socialist programme for India is clear and cogent; and the late Mr. Srinivasa Sastri's study of one aspect of democracy from the Liberal viewpoint is good as far as it goes. But in place of a mere re-statement of the Marxist theory of revolution, one would have preferred a more specific application of that theory to Indian conditions. And it is difficult to understand why the editors have included a rather confused article on Anarchism, specially written for this anthology; for much of the ground had already been better covered in the article on Gandhiji, who has been the most outstanding exponent of anarchist theory in this country. Instead, the editors would have done well to have

given us extracts from the writings of Mr. M.N. Roy, thereby providing a more complete perspective of contemporary ideological trends in India.

The latter half of the book suffers from the lack of any unifying purpose in the selection of the articles. One is grateful to the editors for the opportunity they have given the public of re-reading Mrs. Chattopadhyay's vigorous and penetrating analysis of the fundamentals of the feminist movement; but there seems no reason why there should be thrown in along with it articles dealing with the purpose of a Constituent Assembly and the principles and problems of economic planning. Many of the pieces in this anthology are by themselves well worth reading; but the collection, as a whole, is ill-knit and disappointing.

S. GOPAL

**NATURAL RESOURCES AND HUMAN ADAPTATION.** By A.M. Lorenzo (Lucknow: The Universal Publishers Ltd., 1947, Rs. 3/12.)

This small book deals with the interpretation of physico-environmental forces on economic and cultural progress. It seeks to stress the action and inter-action of natural resources by classifying patterns of resources, by examining the foundations of natural resources potential, such as the influence of location, climate, regional differences and 'conditions on resource assessment.' It is largely an introduction to economic geography, such as the older textbooks on economics provided in explaining the relations and adaptation of the human factor to its surroundings in the growth of economic organization. It also deals briefly however with the wider aspect of the part which physical environment has played in the development of culture of the different epochs and regions. For this reason, it also speculates on the future of machine civilization 'firmly rooted in Great Britain and Japan' and concludes that 'the stability of civilization and the degree of social progress depend not only on the quantum, on the kind of resources potential, but on the ways and means of their utilization, conservation and development.'

In the Preface the author says: 'The main object of this work, *besides enlarging the body of scientific knowledge* (italics ours), is the interpretation of such material for students. . . . I seek no apology in making my modest contribution to the advancement of Human Geography, *a fortiori*, in promoting a fuller appreciation of physical realities.' Need the reviewer make an apology for making no further comments?

M. C. MUNSHI

**SOCIAL BACKGROUND OF INDIAN NATIONALISM.** By Dr. A.R. Desai (Bombay: Oxford University Press, 1948, Rs. 20)

This book emerged out of the thesis submitted for the Ph. D. Degree of the Bombay University. It contains XIX Chapters dealing with the rôle of several economic and social factors in the growth of Indian nationalism. The author gives a brief account of the economy and culture in pre-British India; it is followed by a chapter on the transformation of agriculture under the British

Rule and in the third chapter the author traces the social consequences of such transformation. Then he describes the decline of town handicrafts and village industries and the rise and development of modern industries in order to show that the dissatisfaction caused by the dismemberment of old economic system and the introduction of a new system for the benefit of the ruling class has been the background of nationalism in India. He also describes the rôle of modern transport, press, education, religious reform and women's movement in awakening the national consciousness and in organizing a country-wide fight against the foreign ruler. A separate chapter is devoted to the rise of political movements and another for the problem of nationalities and minorities. A concise summary is given in the epilogue, and the long Bibliography at the end should prove useful to students and active politicians.

Nationalism in India developed under an atmosphere of political subjection. This has profoundly influenced the course of Indian nationalist movement. According to the author 'the British impact both helped as well as hindered the historical progress of Indian society'. It has hindered more than it helped. While it destroyed the order of the 'autarchic village' for the extinction of which the author counsels us not to 'shed any reactionary tears,' the foreign rulers did not replace it by a new one beneficial to the people. Modern means of transport, press and education are introduced more with a view to serve imperial interests than Indian interests and they would have developed as they did in Japan and China, even without the presence of or perhaps much better in the absence of alien rule. Nationalism has been such a tremendous world force that it would have swept away all the obstacles that hindered its growth in pre-British India such as the agricultural economy of the isolated self-sufficient village, caste system etc. The author is a little unkind to the past when he describes the villages as 'the strongholds of social passivity, and intellectual inertia reproducing the same type of existence for ages, hardly progressing.' Similar comments are passed upon the ancient educational and caste systems. In assessing the value of the past institutions we should remember that it is not fair to judge them in the background of modern conditions. Nationalism is a recent political phenomenon and before its rise every society in the world was almost like the Indian society. Not even nationalism by itself but it is with the aid of advanced knowledge of science and industry that independent countries in the west became progressive. It was not the peculiar social system but political subjection that kept the villages static. It is an unfortunate accident of history that when India was about to emerge free and independent from political subjection under the leadership of the vigorous Maharattas and valiant Rajputs the British came as traders but became its rulers. There has been a series of premature protestant nationalist movements. Nationalists had to carry on struggle on a double front, social and political. A realization that neither reform nor reconstruction in any walk of life is possible without political freedom has led to an intensified mass struggle and final triumph of nationalism under the leadership of Mahatma Gandhi. We witness to-day in independent India a rapid all round progress taking place.

The author claims to have used 'the method of historical materialism in the treatment of the subject.' But beyond a reference to the rise of working classes and bourgeoisie in the Indian capitalist economy, the control of Congress by the capitalists, the communal rivalry as a struggle between the more advanced and the less advanced groups which are obvious on the very surface, we don't find anything new in the approach. Even without detracting from the immense importance of economic factors, the rôle of personal leadership in the social and historical movements could have been properly emphasized. Leadership is a powerful social force. It is now accepted that economic factors do not by themselves explain the course of all events. The spiritual and mystic personality of Gandhiji exercised powerful influence on the course of events in the struggle for Indian independence. In the history of Indian nationalism there is much scope to doubt the nature and gravity of the consequences if the terrorist, and not the Satyagraha movement introduced and led by Gandhiji, had triumphed.

The diagnosis of the author that 'inter-nation and internationality struggles' and sectional quarrels are inherent in the capitalist system but cease on the introduction of Socialism 'which ends the class structure of society' can be accepted only with great reservation in the light of the Yugoslavian episode in the Cominform and the subjection of nationalities in Russia to proletarian dictatorship. Socialism may remove some of the present causes of dissatisfaction and conflict but it cannot eradicate the sources of discontent and disputes.

It is strange that Andhras and Karnatakas as nationality groups are described as 'Andhraites' and 'Karnatakis.' The more popular usage is Andhras and Karnatakas or Canarese. The book is a useful study and the Bombay University must be congratulated in publishing it in the Sociology Series. The price, however, is too prohibitive to be within the reach of most students of the subject.

V. JAGANNADHAM

**THE FOREIGN POLICY OF THE INDIAN UNION** By S.V. Puntambekar  
(Bombay: Padmaja Publications Ltd. 1948, Rs. 2.)

Mr. Puntambekar discusses at great length the various aspects of India's foreign policy with the erudition of a scholar. He expresses his disapproval of what he calls the policies of neutrality and of appeasement, and recommends a stronger line of action by Nehru Government in its foreign relations.

Nehru Government's Foreign Policy can be summed up as follows: 1. Non-alignment with any of the two groups between which the world today is divided; 2. knitting together the south-east Asian countries for mutual economic and other interests; 3. contributing for world peace wherever and whenever possible; 4. championing the cause of the weak and the just, even at the risk of estranging the vested interests; 5. making the best use of the United Nations organization for the purpose for which it was created;

6. establishing Diplomatic contacts with all leading countries in the world so that India may know and be known in all the four corners of the globe.

Any student of foreign affairs will at once concede that this is the best policy to follow under the circumstances in which India is at present. Any other policy will defeat the very purpose of strengthening India and increasing her moral prestige in the councils of the world.

India by its very strategic position in the map of Asia and in the Indian ocean need not evolve any 'forcible' foreign policy. A powerful foreign policy will, by the very order of things, be evolved for her. Therefore till that day comes when India will be heard with the respect she deserves the best thing will be to follow a cautious foreign policy wherein she can import Russian wheat with the same goodwill with which she buys H.M.I.S 'Delhi' from the United Kingdom.

Mr. Puntambekar's remarks about Pakistan and other northwestern neighbours will not be shared by many. In foreign affairs, the maxim is 'no country is a perpetual enemy nor an eternal ally.' If India is strong, the natural consequences of that strength follow, not to use it like a giant but to use it for the interests for which a Buddha, a Mahavira, a Asoka or a Gandhi lived and died.

**THE FIRST YEAR**—India's First Independence Anniversary Souvenir—  
(New Delhi : The Ministry of Information and Broadcasting, Government of India, 1948, Rs. 3. 8.)

Produced in fine art paper, *The First Year* contains many interesting- and informing articles. There are good photographs of important occasions that occurred during the year. Messages of good wishes from India and abroad have also been reproduced. It is a good collection which would adorn any public library or private collection.

The Information Department of the same Ministry has brought out another Souvenir but a more bulky one with perhaps a different objective. One wonders why the energy, skill and enterprise of both the sections of the same Ministry should not have been combined to produce one compendium, instead of the diversion in two different channels.

*The First Year* is a Government publication and is not motivated by profit-making. The idea behind the Information and Broadcasting ministry is to publicise the activities of the Government and people of India, both within the country and abroad. In other words, it is a projection of India. This leaves us cold as to why these 88 pages should have been priced Rs. 3-8-0- which is not what most Indians could afford and what all foreigners would care to spend on this volume. Verily, our publicity psychology must undergo a change.



## ARTICLES ON INDIA IN FOREIGN PERIODICALS

*Social and Cultural*

DISPLACEMENT OF ENGLISH IN THE INDIAN UNION. By Sir Mirza Ismail, *The Asiatic Review*, April 1948.

In the opinion of the author, the rejection of English language could only be the result of sentimental exuberance of political independence; it should therefore be resisted in the permanent interest of India.

WOMEN'S MOVEMENT IN INDIA. By V.S.Swaminathan, *The Contemporary Review*, July 1948.

The growth and development of the women's organization is given with special emphasis on the part played by the distinguished women of the country like Mrs. Sarojini Naidu and Mrs. Vijaya Lakshmi Pandit.

THE GROWTH OF PRESS IN ENGLISH IN INDIA By Sir Alfred H. Watson, *The Asiatic Review*, April 1948.

The author delineates the history and development of the Press with special reference to its standard and its part in the national struggle for freedom.

*Economic*

THE INDUSTRIAL PROSPECT OF INDIA. By Eric D.W. Da Costa, *The Asiatic Review*, April 1948.

Relations with Pakistan, labour difficulties, lack of capital and the need for technicians are some of the obstacles in the way of India's industrial development. The author points to the part which the Government must play in this field.

THE HOUSE OF TATA—SIXTY YEARS OF INDUSTRIAL DEVELOPMENT IN INDIA. By Sir Fredrick James, O.B.E., *The Asiatic Review*, July 1948.

A descriptive account of the distinguished services of the Tatas in the field of industrial development of India with special reference to the textile and steel industries, oil mills, chemicals and air services.

VILLAGE BETTERMENT IN THE NEW INDIA AND PAKISTAN. By Dr. Harold Mann, *The Asiatic Review*. April 1948.

India, the writer says, must direct her efforts not only to economic security, but also to having a happy and contented peasantry such as Mahatma Gandhi would have liked to see.

INDIA AND PAKISTAN: THE ECONOMIC EFFECTS OF PARTITION. By Sir Arthur Waugh K.C.I.E., C.S.I. *The Asiatic Review*, April 1948.

The author hopes that the financial and economic partition of what had hitherto been an integral unit will not tend to improve both but will stimulate production in each country.

*Political*

INDIA'S RÔLE IN ONE WORLD. By Asaf Ali. *The Annals of the American Academy of Political and Social Science*, July, 1948.

The Indian Ambassador in the United States begins the essay with stating the ideal of the world India desires to build and enumerates the attempts to federate it. He is convinced that India's new political status, her economic development and strategic position and vitality will help her to play an important rôle in one world or even in a bifurcated world and in both the moral and material fields of human activity.

GANDHI'S LEGACY. By Horace Alexander, *The Spectator*, 28 May 1948.

Mahatma Gandhi's legacy, according to the author, consists in the guidance he had given the country during the first months of India's independence to keep the ship of State in a safe condition during the difficult days.

INDIA, PAKISTAN AND THE INDIAN STATES. By Robert W. Brock, *The Asiatic Review*, April 1948.

The writer suggests the establishment of a Privy Council which will have jurisdiction over India, Pakistan and the native states.

INDIA IN WORLD POLITICS. By Sir William P. Barlow, *The Fortnightly*, August 1948.

The author feels that India has started on her new career with very inadequate resources, in an unhappy and dangerous world. She has adopted a 'policy of aggression' against Kashmir and Hyderabad. The implication is that a solution of India's problems will be very easily reached if India decides, at least for some years, to remain in the Commonwealth.

WAR OVER KASHMIR. By Edith Moore, *Socialist Commentary*, July 1948.

An account of the Indo-Pakistan dispute on Kashmir. The part of power-politics in the Security Council proceedings is emphasized.

AMERICAN REACTION TO RECENT POLITICAL EVENTS IN INDIA.

By Miss Eleanor Herrington. *The Asiatic Review*, April 1948.

In the United States, there used to be no interest in India till the advent of Mahatma Gandhi. He had always great news value. The author says that the transfer of power is not the result of Gandhiji's non-violent resistance nor that of post-war weakness of Britain. He says that very few see 'the events of 15 August 1947 as a fulfilment of the policy announced thirty years ago by the British Government'.

HISTORICAL HYDERABAD. By Lt. Col. D. Mac Fife *Eastern World*, June-July 1948.

The theme of the article is that in comparison with the other states of India which are now forming into large unions, it may be said of Hyderabad that she achieved this stage many centuries ago and that it is at present a 'modern state with many fine buildings'.

PROGRESS REPORT ON INDIA AND PAKISTAN. By Sir Percival Griffiths C.I.E., *The Asiatic Review*, July 1948.

According to the author there was 'progress' recently in both the Dominions in respect of attempts to fight the danger of communism and in regard to the rise in the standard of administration, maintenance of economic stability, consolidation of power of the central government and in the 'recognition that nationalization was not a panacea' for all human ills.

INDIA REVISITED: THE FIRST WINTER OF PARTITION. By Sir Percival Griffiths C.I.E., *The Asiatic Digest*, April 1948.

The unhopeful developments after the partition, in the author's opinion, are strained relations between the Dominions, unbalanced economy, administrative weakness and growth of communism. However he sees a growing sense of realism and a new dynamic spirit which makes him hopeful.

AN AMERICAN VIEW OF THE INDIAN SCENE. By Upham Pope, *The Asiatic Review*, July 1948.

The author's survey includes the spread of communism in India, her economic prospects, the problem of the increase of population and the better understanding of the country by the people of America.

GANDHI LIVES AGAIN By C. Harcourt Robertson, *Great Britain and the East*, July 1948.

The writer refers to a special English recording of Mahatma Gandhi's voice and his statue made by a British sculptor.

LORD SCARBOROUGH'S TRIBUTE TO MR. GANDHI. *The Asiatic Digest*, April 1948.

A glowing homage to Mahatma Gandhi.

HINDU-MUSLIM CONFLICT IN INDIA. By Danial Thorner, *Far Eastern Survey*, 7 April 1948.

An account of the Hindu-Muslim conflict in India in recent years.

INDIA'S NEW GOVERNOR-GENERAL. By Sir Alfred Watson, *Great Britain and the East*, July 1948.

The author says that, how far C.R. may be able to adhere to his resolution to be an administrator rather than a social figure, will depend more upon Indian opinion than upon his own will.

REIGN OF LAW IN INDIA. By an Indian lawyer, *Eastern World*, May 1948.

The author says that, as the party in power has passed many repressive laws, the High Courts in India must protect the people from their encroachments on their liberty by the Executive.

INDIA. *The Round Table*, June 1948.

India's future is enigmatic. But the government has shown that it has got grit and determination by coping successfully with one of the greatest refugee problems in history, simultaneously with waging a sizable war in Kashmir, withstanding sharp communal stresses and subversive communist activities and achieving a remarkable integration of the states in India.

BRITISH INTEREST IN AND WITH INDIA AND PAKISTAN. *Asiatic Review*, July 1948.

Report of the discussion in a meeting of the East Indian Association.

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